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THE NATIONAL

WOOL GROWER

PUBLISHED BY THE

NATIONAL



HON. F. R. GOODING, Re-elected President

THE KNOLLIN SHEEP COMMISSION CO.

1912

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The National Wool Grower

VOL. II.

JANUARY 1912

NUMBER 1

Annual Address of President Gooding

At Forty-Eighth Annual Convention, Omaha, Nebraska

Ladies and Gentlemen of the National Wool Growers Association:

THIS is our Forty-Eighth Annual Convention, and we have met in this splendid city to discuss the great questions that confront our industry. This year marks an epoch in the history of the flockmasters of the country, for no public question has received so much attention as the revision of Schedule K. There has been a Commission appointed to investigate the cost of production of wool and wools at home and abroad, and I am sure that we all watched with intense interest the struggle between the two political parties in Congress in the revision of Schedule K, which resulted in the passage of a compromise measure by a part of the progressive Republicans and the Democrats, known as the Underwood-LaFollette bill, a make-shift measure that if it had been enacted into law, would have seriously injured the wool and woollen industries of this country. To our great satisfaction President Taft vetoed this measure, and we have been waiting patiently for the report of the Tariff Board, hoping that it will deal fairly and honestly with our great industry. Whatever the final settlement in the revision of Schedule K may be, your present officials are resting in the light of their own conscience that they have done their full duty in the defense of our industry, and I want to take this opportunity of thanking our able Secretary and the members of the Executive Committee for the splendid support they have given our organization throughout the whole year.

This organization owes a debt of gratitude that it never can repay to such men as A. J. Knollin, our Eastern Vice-President, and F. J. Hagenbarth, member of our Executive Committee from Idaho, for their splendid services. These two men have traveled more than 25,000 miles since the Portland Convention, and have given up weeks of their time in the interest of our industry. I have only words of praise for the members of the Executive Committee. When I have called upon any one of them, the trip has never been too long nor the

task too hard for him to undertake, and no body of men has ever worked harder for the protection of their industry than the present officials of the National Wool Growers Association. How well they have done the work you must be the judge. A brief review of our stewardship will give you an idea of the great amount of work that has been accomplished by your officers since the Portland Convention.

For the first time in a number of years the office of the National Wool Growers Association has been at the home town of the President of the organization. Since the Portland Convention your President and Secretary have together traveled more than 56,000 miles in the discharge of their duties. Victor O. Johnson, your attorney in the fight for the reduction of wool rates, has traveled more than 30,000 miles. I could not, if I tried, tell you of my appreciation of the work of Secretary McClure. I know of no words in the English language that would fittingly express my appreciation of his splendid service to our organization. Mr. McClure has been ably assisted by our Assistant Secretary, Mr. Howell, and altogether, I am sure that we have made a record that should be extremely gratifying to every member of this organization. Twelve new States have been added to our organization, besides several county and local organizations, adding several thousand new members to our Association. We have increased our individual membership more than 143 per cent, and I believe that I am safe in saying that we have the wool growers of the country thoroughly aroused to the conditions that confront their industry, and that in the future they will be a mighty factor in helping to bring about the settlement of the great questions that confront us.

Establishment of National Wool Grower.

It did not take your President and Secretary long, after they had opened up headquarters at Gooding, to discover how helpless this great organization was without some kind of a publication to keep its members in touch with the work of its officers. To us it looked like a waste of time and money to continue along the

old methods of the past—that of meeting together in convention once a year, passing resolutions, adjourning, going home, and forgetting that there was such a thing as the National Wool Growers Association until the next Annual Convention was called. Out of this apparent helplessness came the thought of the establishment of the Wool Grower. The matter was taken up with the Executive Committee asking for their approval, and, almost to a man, the word came back, "it's a splendid move." I take it for granted that most, if not all, of you have received the Wool Grower for the past six months. In my opinion, it is the best publication of its kind ever given to the flockmasters of America, and through it, if it is properly conducted and built up, it should be, and will be, the foundation of one of the mightiest organizations this country has ever known. In my opinion, this is the wisest step ever advanced by this organization, and I sincerely hope that the foundation will be laid here at this convention for a continuation of this splendid publication, and that an organization will be effected so that the Wool Grower within a very few years, will be found in the home of every flockmaster in America.

National Advisory Board.

A National Advisory Board has been created by the Secretary of Agriculture whose duty it will be to try to bring about a better understanding between the users of the forest reserves and the National Government. There is a great work to be done along these lines, and let us hope they will succeed in bringing about a better condition on the forest reserves for the flockmasters.

Reduction of Wool Rates.

Acting upon the resolutions, passed at Portland, immediately after the adjournment of our Convention, I entered a complaint with the Interstate Commerce Commission against the excessive freight rates paid on wool to the Eastern markets. Beyond a doubt, this has been one of the hardest contests for a reduction of rates ever heard by the Interstate Commerce Commission. Hearings were had in Bos-

ton, Chicago, Denver, Albuquerque, Phoenix, Salt Lake City and Portland. The railroads were not slow to realize the importance of this case, and their best attorneys and traffic managers appeared at every hearing in defense of their rates. But I am more than pleased with the showing made by the National Wool Growers Association for a reduction of the freight rates on wool. We were especially fortunate in the selection of our attorneys, Victor O. Johnson and Paul S. Haddock, of Shoshone, Idaho, and I am satisfied that all the wool growers who attended these hearings were more than pleased with the masterly way in which our case has been presented to the Commission. The evidence is all before the Commission, and the case has been set for argument on the 17th of next January, so it is safe to say that we will be given relief from the exorbitant freight rates before the new clip is shorn. I have great hopes for a material reduction in the wool rates, and shall be disappointed if the flockmasters are not saved more than a million dollars in freight on their wool next year. I am at a loss to understand how we have submitted to the outrageous and excessive freight rates on wool in the past. We have found upon investigation that wool is paying more than double the freight of any other east bound product in the West. I know of no reason why we should be compelled to pay more than any other product bears from the West, and if we are not asked to pay more, then our freight rates will be more than cut in two. Of all the commodities that are shipped from the West, none of them are so easily handled as wool. No refrigerator cars are needed and no express time is given on these shipments. The railroads take their own good time in handling it, and the element of risk is lighter than that of any other product which is hauled over their rails.

An investigation of the freight rates of this country and of foreign countries has demonstrated the fact that the wool growers of the range States are paying higher rates to Boston than is paid by the foreign flockmasters to lay their wool down in Boston where it comes in competition with American wool. The facts are that the foreign flockmaster can lay his wool down at Boston from 2 to 4 cents per pound cheaper on the scoured basis, than the American flockmaster from the range States of this country. Fully 90 per cent of all the wool that is produced in America finds its way to the Eastern seaboard to be manufactured into clothing. So that the foreign wool grower is given a decided advantage over the American flockmaster in reaching our own markets. Our investigation shows that there is not so much complaint to be made about the

Eastern freight rates on wool. Some of the rates are too high. Again, some of them are reasonable. For instance, we find that practically all the wools of Utah, Nevada, California, Washington, Oregon and half of the wools of my own State, Idaho, are hauled by the Eastern roads from Omaha to Boston, a distance of 1,500 miles, for 35½ cents per hundred, with a minimum of from twenty thousand to twenty-four thousand pounds to the car. Yet the Western roads for hauling these same wools from the wool producing States that I have mentioned to Omaha, averaging on a whole less than 1,500 miles, charge \$1.77½, exactly five times the amount paid to the Eastern carriers for the same service and upon the same cars. Can there be anything more outrageous than a charge of \$1.77½ per hundred for hauling a car of wool the same number of miles that an Eastern road performs the same service for 35½ cents a hundred? Or in other words, let us take the average weight of a Western car of wool, which was shown in the evidence before the Interstate Commerce Commission to be about 28,000 pounds, and see what the earnings of the Western and Eastern railroads are for hauling the same car of wool, practically the same number of miles. A car containing 28,000 pounds of wool at a rate of 35½ cents from Omaha to Boston would earn the Eastern roads \$99.40, while this same car of 28,000 pounds, at a rate charged by the Western roads of \$1.77½, earns the Western road \$497. It is on this outrageous robbery of the Western roads where we hope to get our reduction, and to give you men as equally a good rate as other commodities from the West bear. Four hundred and ninety-seven dollars, if you please, for hauling a car of wool and performing the same service for which other transportation companies charge only \$99.40. Extortion and robbery are mild terms to apply to such outrageous freight rates. The rates on wool from some of the south Western States are equally as bad as they are from the West. While the freight rates are excessive in Montana, they are not so high as in other range States, but they are excessive, and I am sure that a material reduction will be granted on the roads of that State. Again, let me say, that I am more than pleased with the splendid showing made by our attorneys and I am looking forward to a material reduction in freight rates when this case is decided by the Interstate Commerce Commission.

Revision of Wool Tariff.

The great work of the officers of your organization for the past year has been directed along the lines of an honest revision of Schedule K. In my speech of acceptance at Portland I said that "when Schedule K is revised we should see that

it tells the truth instead of a lie, and that it gives us the full measure of protection that it promises; that it should be made to say what it means, and mean what it says." With this one thought in mind your officers have bent every energy for an honest revision of Schedule K. Through the Wool Grower a campaign of education has been conducted. In public and private your officers have left nothing undone to show the iniquities of the present Payne-Aldrich law in basing the duty on the grease pound. Through petitions, letters and hearings we have presented our case to the President and to the Tariff Board and to Senators and Congressmen. I am confident we have won this fight, and if we have, it is the greatest victory in my mind that has ever crowned the efforts of the wool growers of America. Able speakers will address you upon this subject, so I shall leave this important question for them to handle in a detailed way. I am satisfied that when we are through with the discussion of this subject that resolutions will be passed unanimously endorsing a revision of Schedule K based upon the scoured wool contained in a pound of grease wool.

Organization.

I have reviewed briefly the work of your officials for the past year, but what of the future? That will depend upon the wisdom of the men who sit in this convention. You have it within your power, in my judgment, to lay the foundation of a mighty organization which can do much in many ways to improve the conditions that surround our industry, and bring about a higher intelligence and a better knowledge of the industry in this country, and at the same time be a factor for a higher standard of citizenship all the way around. There are great public questions to be solved for this Government, and this organization should place itself in a position to help in this great work. First, you should lay here the foundation for an official organ, for we can not be a factor even in our own business unless we can present our case to the American people. That can only be done through the press. The next step should be to incorporate, so that our business can be transacted along progressive and business lines. We have had much talk about incorporation in the past, and I sincerely hope that this convention will appoint a Committee and instruct them to incorporate, for I am satisfied that it can be done.

National Forests.

There is yet a great work to be done in the improvement of the conditions on the Forest Reserves. I am glad to be able to report a decided improvement on most of the reserves. Mr. Graves, our Chief Forester, is working hard to improve the conditions, and the wool growers should

not forget that in Mr. Potter we have always had a friend. He has worked hard for our industry and I know of my own knowledge that at one time he practically saved it from annihilation. It is hard, yet, however, to discuss this question with any degree of moderation. The outrageous policies inaugurated by Mr. Pinchot at the beginning are still fresh in the memories of the flockmasters of this country, and some day they will be given credit for the toleration with which they bore the prejudice and ignorance of the Chief Forester and many of his officials. There is no doubt in my mind, but what it was Mr. Pinchot's first intention to drive sheep out of the forest entirely. He believed honestly enough, no doubt, that they were detrimental to the great forests; in fact, he believed that sheep meant their destruction, and for that reason must be excluded, and so he began in a systematic way the annihilation of one of the great industries of America. On some reserves sheep were excluded entirely; and on others the number of sheep was reduced until it was no longer a profitable business, and it was only through a vigorous protest that we were able to save the industry at all. Obnoxious rules were forced upon the flockmasters. Men were fined hundreds of dollars for violating some of these rules without even being given a hearing. Mr. Pinchot inaugurated a policy in which he was the judge, prosecutor, jury and sheriff. We were denied the right of appeal even upon the complaints of men who were employed for \$60 per month and were compelled to furnish two horses and to feed themselves and their animals. There were some good men employed as rangers, others were known to be ignorant and prejudiced; yet they were made masters of a country as large as some of our New England States. Tyranny is but a mild term to apply to Pinchot's outrageous policies towards the flockmasters in the West. If Mr. Pinchot had been correct that the grazing of sheep in the forest reserves was a great detriment to the forests, there would have been some excuse for his actions, but years before Mr. Pinchot thought of conservation, it had been demonstrated in the West that the grazing of sheep in the forests was their only salvation, and all of the great timber companies owning lands in the West, wherever it was possible, saw to it that large bands of sheep were grazing on their holdings every year to keep down the vegetation, and in this way prevent forest fires. Great public calamities sometimes bring men to a realization of truths that they will learn in no other way. The great forest fires in my State two years ago, where more than two hundred human lives were lost, besides destroying millions of dollars worth of the best white pine forests

in America, gave the forest reserve officials their first great lesson in forest fires. It was then they first discovered the value of sheep in the forest, for not many miles away from this great forest fire, over on the Clear Water, flocks of sheep were grazing in the forest. Not a tree was lost in that forest where thousands of sheep grazed over an immense area that same year. Practically the same conditions existed on the Clear Water as those in the great fire zone that destroyed so many human lives and so much property.

Last February while I was in Washington, I found the Secretary of Agriculture, Mr. Wilson, trying to secure better freight rates on sheep from the railroads so that they might be shipped into the forests of northern Idaho to prevent again such a disastrous result from forest fires. I say, without fear of successful contradiction, that if the sheep were removed from the forest reserves of the West for any number of years that a large portion of our forests would be destroyed by fire and no human efforts could save them. All of our forest reserves lie in what may be classed as a semi-arid country. In the Winter time there is a great fall of snow and then comes the Spring rains, bringing forth a great abundance of vegetation, and then follows the dry season. If this vegetation is allowed to accumulate and a fire is started, fanned by a strong wind, there are not enough men in all the forest reserves, if they were all on the ground, to put out one of these great forest fires when once it is under headway.

The erratic and senseless policies inaugurated by Mr. Pinchot have been a serious blow to conservation in the West and have done much to delay that great work for a number of years. Every good citizen in the West stands for conservation. All the West asks is a full and intelligent use of all its great natural resources. The West is not lacking in intelligence, in courage, in patriotism, or in appreciation of the marvelous resources that a kind Providence has given us with so generous a hand. The mighty resources of the West are our heritage. We do not want to waste or destroy them, and if they are not locked up by erratic policies, through them we will build some of the greatest commonwealths in America. The citizenship of the West is made up of some of the best blood from every State in the Union, and if they are given an opportunity will be glad to co-operate in the great work of the protection and preservation of the mighty resources of this country.

Grazing Fees.

When I was in Washington last Winter I pleaded for a reduction in the grazing fees in the forest reserves, but without avail. They are unfair and entirely out of proportion to the charges that are made

on the forest reserves for other classes of live stock. Take it on the Sawtooth National Forest Reserve, the sheep are paying 44 per cent of the cattle rate, which is more than twice as much as they should be charged. All demonstrations in yards and pastures have proven that the consumption of grasses, hay and grain between cattle and sheep are about eight to one. Yet under these rules it is less than two and one-quarter to one. I do not wish to be understood as making a protest that other live stock is not paying enough. I am satisfied they are paying all that they can afford to pay, and all that they should pay, but I wish to be understood as saying that the sheep are paying entirely too much, and we should demand a reduction.

Closer Co-operation.

I want to take this opportunity to say to the flockmasters of this country that there should be a closer co-operation between the two great live stock interests—cattle and sheep. We should get closer together. There should be a close co-operation between the two organizations in those things that affect our industries. It is true that we cannot agree with the American National Live Stock Association in the leasing of the public lands, but that is no reason why we cannot work together for better transportation facilities, and many other things where the interests are common.

Protection to Wool Growing.

There are many reasons why this country should protect its great sheep industry, but I have only time to discuss briefly what seems to me the two principal reasons for protection.

First, the sheep industry cannot survive in this country without protection.

Second, the American farmer needs the sheep industry to keep up the fertility of his soil.

Let me say in discussing the first question, that the sheep industry cannot exist in this country without protection, is not a theory, for we had a practical demonstration of free wool under the Wilson Bill. The flockmasters have not forgotten the wreck and ruin of those four years of free trade, when their flocks were stampeded to the slaughter house and their numbers reduced by more than ten millions. Those who survived that period of depression did so at an enormous loss, without exception. Wool in the Western States sold at the railroad stations at an average price of 6½ cents a pound, and at times the Eastern Commission houses would not receive our wool and advance the freight on it to the Eastern markets.

We were forced to reduce wages more than 30 per cent, and for the first time in the history of the industry the sheep-

herds of our flocks had to be fed on the plainest and cheapest food we could obtain.

Niggardly economy had to be practiced on every hand to save the remnant of our flocks from the slaughter houses, until the day when the American people would realize the importance of the industry and give it the needed protection to insure its prosperity.

The question of the revision of Schedule K is squarely before the American people, and this convention should go on record for an honest revision for both the growers and the manufacturers of wool. We must not forget in this great fight that the manufacturers are our customers; that our industry cannot prosper unless we have a home market for our wool, but the revision should be a fair one and an honest one to the producers, the manufacturers and the consumers. The honest difference in the cost of production is all that we should ask. I do not believe that the American people want to destroy the great sheep industry of this country and we should make our fight for a revision based on the report of the Tariff Board. That report may be a disappointment to some of our wool growers. It may not show as large a difference in the cost of production as some of us believe exists, but if it comes anywhere near the line of reasonableness we should accept of it and make a fight for a final settlement of the question. The continuous agitation of Schedule K has done much to paralyze the industry, and if we can have anything like a permanent settlement of the question, we can adjust our business to meet it, so that in the future there will be some stability for the products of our industry.

Let us not take it for granted that the report of the Tariff Board is going to settle the issue. I am sure those who have watched the tariff fights in the past in Congress must be convinced that what one political party wants the other objects to. Unfortunate for the business interests of this country there is too much politics, and we should go on record as favoring the settlement of all business questions that are affected by politics through a Commission. In my opinion there will always be an unrest in the business affairs of this country until they are settled along the lines of common sense and business judgment. Let us demand that the business interests of this country be taken out of politics—that is so far as finding out the cost of production at home and abroad. Let these facts be submitted to Congress and from these findings we can hope for a final solution of the tariff question.

Those of us who were in the sheep business through the years of the Wilson Bill realize that there has been a material increase in the cost of producing wool in

the West in the last decade. We have no longer the free range which furnishes grazing for our flocks the year round. The settlement and development of the West has forced a large majority of the flockmasters to own a large acreage of land to protect his flocks. The increased cost of labor and of supplies has materially added to the burdens of the flockmaster, and free wool would mean a greater disaster to the sheep business to-day than overtook us during the years of free trade under the Wilson Bill.

I am not ready to believe that any great political party in this country wants to again destroy our industry. True, there are many in the Democratic Party who believe that it should be wiped out of existence. They are the men who believe that in all things the survival of the fittest should control, for this is what free trade means. Strange to say we find the greatest enemy to the flockmasters in the person of William Jennings Bryan. Mr. Bryan is about as near right on the tariff question as he was on the free silver issue a few years ago, when he tried to make the American people believe that the remonetization of silver on a ratio of 16 to 1 would cure all the evils that was brought on this country by the passing of the Wilson Bill.

Those of us who were in the sheep business at that time know only too well that it was not the demonetization of silver that fixed the price of a pound of wool at 6½ cents, or the price of a fat wether at \$1 a head. We learned through experience that it was competition with the cheap wools of the world that destroyed the flocks of this country.

From Mr. Bryan's public utterances it is plain that he does not understand the great live stock industry of this country and its benefits to the American people, and in my judgment he is the most dangerous man in America to-day to the producers and the laboring people of this nation, for his policy—free trade—means that the producers as well as the laboring men of this country must compete with the cheap labor of foreign countries. For instance, Mr. Bryan says: "There are not to exceed twenty-two thousand persons engaged in the sheep industry, owners, herders, shearers and all," while the facts are, as shown by Government statistics, there are 610,000 sheep growers in this country, to say nothing about the army of men who are employed for the care of these flocks. Mr. Bryan believes that it will be better for the Government to pension the men who are in the industry, rather than give them protection for their flocks. Give us labor, and freight rates, and range and living as cheap as they are in foreign countries, and we will not ask any protection. But who would want such a con-

dition as this in America. Every good American citizen ought to be proud of the fact that it does cost more to do business in this country than in any other nation on earth, for labor enters largely into the production of every commodity, and to reduce labor to the conditions existing in foreign countries would be a crime.

After all, the great question that confronts every Government on earth is that of keeping its people employed. In the older countries it has been a struggle for years to find employment for their people. Up to the present time this country has not been seriously confronted with this question, but the time is coming, and coming fast, when this will be an important question before the American people. In the settlement and development of this great country there has been labor enough for us all, and while we have only made a beginning in the development of our mighty resources, yet in the settlement of our public lands the work is nearly done. No longer is there the opportunity for the homesteader as in the past, and while we have only made a beginning in the development of this country, I do not believe it can be hoped that the progress will be as rapid in the future in proportion to our population as in the past. So unless I have misjudged the conditions that confront us, the question of finding employment for the people of this nation will soon be as important a question as it is in the older countries. If we are going to find employment for our people, then we must protect our markets. We must become self-supporting as a nation as far as possible, and give an opportunity for labor and capital wherever we can. Put wool on the free list or reduce the tariff until wool growing is no longer a profitable business, and you destroy one of our greatest industries that is giving employment directly and indirectly to hundreds of thousands of our citizens.

Let me review briefly the conditions that exist in this country and those that exist in foreign countries in the production of wool, and I would like to ask Mr. Bryan if it would be fair to peon and penalize the employees of the flockmasters of this country so that we might compete with free wool from foreign countries.

Let Mr. Bryan not forget that the freight rates from the eleven range States in America are from 2 to 4 cents higher per pound on the scoured basis than must be paid by the foreign flockmasters to lay their product down in the Boston market. So to start with the foreign flockmaster has a decided advantage over the flockmasters of the range States in freight rates.

The statistics collected by this Association prove that the sheep men of the

(Continued on page thirty-seven).

Address by Joseph E.
Wing

Sheep Farming in South America

National Wool Growers
Convention, Omaha

IT IS rather a big subject that has been given me, to tell of sheep farming in South America. South America is a big country. Quite often men paralyze me by asking: "Joe, what do you think of South America?"

I reply, "Well, what do you think of North America?" The point is that you can answer the one question nearly as easily as the other. We think all sorts of things of North America, depending on what it is that we are thinking of; the same is true of South America. There is much down there that is good, almighty good. There is more or less that is not good. It is a big country down there, as it is up here. There are magnificent men in South America and there are scrubs, just as we find here.

As I will show a little later there is, in South America, a more general average of sheep of high quality than we find in North America. Their sheep are better bred than ours. They are better cared for than ours, because the South American governments facilitate sheep breeding, which ours has not thus far. In the first place let's consider the field. Sheep are found from Corrientes in northern Argentina south to near Cape Horn, more or less a distance of 1,200 miles. In their northern pastures they are in the region of oranges. In their most southern pastures they are almost in Arctic cold, only that the cold is tempered by the nearness of the sea so that while it never becomes warm in Summer neither does it ever become very cold in Winter. In the north oranges and corn, in the south no agriculture is possible. In the north liability to Summer drouth, in the south danger of Winter's snows. No snow ever falls at Buenos Aires. So it is seen that the climates vary immensely, about as do our climates from Alaska to the Gulf of Mex-

They grow sheep successfully in South America in the orange belt because of the dry Summers there, just as we grow them successfully in Arizona and California. When in Argentina we find conditions of hot weather with much rainfall we lose the sheep, just as we do in the United States. There is no known instance of a large sheep growing industry in any land that is hot enough and moist enough to grow good Indian corn. The reason for that is the parasite that surely comes

where there is enough heat and enough moisture.

They grow them successfully on the island of Tierra del Fuego and in Patagonia because there while it is cold it is not usually snowy enough to kill the sheep. There are years when in Patagonia, in the Territory of Santa Cruz, losses are very heavy because of snow.

In the old sheep growing regions of South America, in the States of Santa Fe, Buenos Aires and Entre Rios, sheep breed-



JOSEPH E. WING,
Member Tariff Board, Washington, D. C.

ing is slowly going out. These States have yet the greater bulk of all the sheep in South America, but their numbers decrease because of the turning of the land more and more to agriculture. Ships come to Argentina loaded with immigrants. The immigrants become colonists, farmers, wheat and corn growers. The pastures are cut into farms and leased to these new comers. Occasionally an estancia is sold in small blocks to the colonists. More usually the land is leased to them or they crop it on shares. - In either event the sheep pastures are never again filled with sheep. After the wheat grower and the corn grower, comes the alfalfa. After alfalfa comes cattle, not sheep.

Sheep decrease in the older, richer

States of Argentina. In the newer territories to the south they increase rather rapidly. It is probable that the total numbers will remain more or less as they are. There does not seem justification for belief that sheep in Argentina will much increase. They may considerably decrease in the near future.

Let me see if I can get clearly in your mind the map of Argentina. From the city of Buenos Aires, on the Rio de la Plata, stretches a flat plain for very many miles. This plain reaches to the sea on the south, half way to the mountains on the west and to the tropics on the north. It is flatter than any country in North America with the exception of the land along the Gulf of Mexico in Louisiana. It is a rich plain. The soil is usually black. It is as rich, I should say, as the best soils of Illinois. Once it was covered with wild grasses higher than a man on horseback. These wild, coarse grasses were of little value. Men had them to fight and destroy. Now they are seldom seen except in out-of-the-way places.

This big block of flat, rich, black soil is probably the biggest area of very rich soil in the world. It has not a break except a few rocky hills in the south; it is all flat, all black, all rich. Originally it had not a tree. To-day it has a good many trees about the estancia houses and some rows and avenues along the roads. Most of the trees are eucalyptus.

All of this region is agricultural. All of it is owned and has been owned for a good many years. The province of Buenos Aires is an old province. The city of Buenos Aires is older than any, except perhaps one or two, in the U. S.

All of this region is owned and fenced. It is splendidly fenced. There are no fences in North America so good as one commonly sees in South America. The fences are of wire, galvanized, not woven. The wires are large and are run through the posts, through holes bored for that purpose. Staples are never used. The posts are brought hundreds of miles from northern tropical forests. They never rot.

The wires are kept splendidly tight. It rather makes one ashamed of North American fences to see those of Argentina.

The estancias are for the most part large. They may have in them 10,000 acres, or much more than that. They may carry 10,000 sheep, or many more than that. The smallest number of sheep that

Resolutions Adopted by Forty-Eighth Annual Convention

National Wool Growers Association, Omaha, Neb., Dec. 14, 15, 16, 1911

Principle of Protection.

Resolved, That in line with the economic thought which guided Washington, Hamilton and Jefferson in the propagation of this Government, we favor a proper protection to every American industry based on the difference in cost of production at home and abroad.

Tariff Commission.

Resolved, That we endorse the Tariff Commission idea as the proper medium through which the difference in cost of production of wool at home and abroad can be ascertained and commend President Taft for his stand in vetoing the Wool Tariff bill before such information was obtained.

Scoured, Grease and Advalorem Systems of Wool Duties.

Resolved, That inasmuch as the wool trade of the world is satisfactorily conducted in valuing wool upon the scoured basis, we believe it affords the most equitable and satisfactory plan of levying duties. It is possible to buy and sell wool in this way, we can see no reason why the Government cannot levy and collect its import duties upon the same basis.

Resolved, That we are unalterably opposed to the levying of a duty based on the grease basis, under present conditions, as applied in the Payne law, and we are arrayed equally against any collection of duties based on the ad valorem system.

Resolved, That we endorse unqualifiedly the specific scoured basis as the only scientific, equitable and permanent basis on which import duties on wool can be collected, and we favor fair compensatory and protective duties on the manufactures of wool.

Forest Reserves.

Resolved, That we deprecate the principle underlying the creation of the Forest Reserve Law when it recognizes the promotion of the growth of timber and the conservation of water supply as the sole use and purpose of the creation of Forest Reserves.

Resolved, That we feel and know the maintenance of a proper food and raiment supply for the American people is equally essential, and we hereby ask our representatives in Congress that an amendment be written into the law which will give proper recognition to the live stock interests which by nature and usage are a part of the forest system of the United States.

Grazing Fees for Sheep on National Forests

Resolved, That the present schedule of rates for grazing sheep on the National Forests is higher than is consistent with the present condition of the industry, and proportionately higher than other classes of live stock, and that if any change be made in such rates that it be a reduction.

Rates for Feeding in Transit too High.

Resolved, That the present grazing fee charged by stock yard companies for sheep in transit is excessive and out of proportion to value received, and the President and Executive Committee are hereby instructed and authorized to use their best efforts to obtain a reduction of the fee charged to a reasonable amount.

Land Lease Law.

Resolved, That while realizing the ultimate benefits of a properly constructed and equitably administered land lease law, yet we feel at this time that neither the Government nor Congress are in possession of proper and sufficient data for the formulation of any blanket land lease that would be permanent or equitable.

Creation of Land Commission.

Resolved, That we favor and demand the introduction of a bill in Congress providing for the creation of a land commission with sufficient appropriations and with proper powers for an immediate examination, which Commission shall make an extensive classification, and which shall take into account the varying conditions, topographic, climatic and otherwise, that exist in different sections of this broad country, and report back such findings to the President and Congress, together with a bill providing for the disposal of the public unoccupied domain that will be permanent and based on commercial demands and practical usage.

Department of Agriculture.

Resolved, That we commend the present efforts of the Department of Agriculture in our behalf in their investigations looking to the development of the breed of sheep, particularly adapted to various sections of the United States.

Resolved, That we further request that the Department extend its activities into the field of wool and institute a technical Wool College in connection with the experiments now being carried on with sheep, and that we further ask that the Secretary of Agriculture shall establish a wool department at various agricultural colleges in different States.

Better Packing of Fleeces.

Resolved, That we condemn the practice among wool growers of allowing tags or foreign substances to be packed with their fleeces when shorn; also the practice of using sisal or other injurious twines and the improper dyeing of fleeces.

Resolved, That the President and Executive Committee be and are hereby authorized and empowered to take this matter up with wool dealers and manufacturers with a view of determining a fair premium to be paid for wools sold by flockmasters who have properly prepared their product for the market.

High Cost of Wool and Mutton—Responsibility to be Fixed.

Whereas, The general impression prevailing throughout the public press and in the mind of the consumer is that the producer of wool and mutton is deriving an unjust toll from the consumer of these products;

Resolved, That we hereby demand that the Secretary of Commerce and Labor make an investigation of the facts in the case and submit to Congress a statement showing the distribution of costs in both wool and mutton from the time it leaves the hands of the producer until it is purchased by the consumer.

Free Meats.

Resolved, That we commend the efforts of the Executive Committee for their unselfish and successful labors in opposition to the free meat bill introduced in the last session of Congress, and that we are opposed to the introduction of free meat and live stock into the United States by reciprocity or otherwise.

National Bounty Law.

Whereas, There is being no determined and systematic effort made to exterminate wild and predatory animals in the United States, and,

Whereas, The losses from such sources in the United States amount to fifteen million dollars annually, thus enhancing the cost of living to that unnecessary extent; be it

Resolved, That we respectfully ask the National Congress to pass a Bounty Law and other legislation to inaugurate the systematic and effective destruction of all predatory animals.

The National Wool Grower.

Resolved, That one of our best moves for the advancement of the interests of
(Continued on page eighteen).

Synopsis of Report of the Tariff Board

The report on raw wool covers an extended study of the general conditions surrounding the production of raw wools not only in the United States but in Australasia, South America, the South African Cape, Great Britain, and other countries. Relative costs of production have been developed as closely as possible in the case of the leading clips and comparative shrinkages established of the various important varieties of raw wool in the scouring process.

Special agents have gathered full information as to the expenses attaching to sheep farming and ranching at home and abroad. The investigation was begun in 1910 and covered in the United States 173 counties in nineteen States. In all nearly 12,000 wool growers were visited by the agents of the Tariff Board. Special agents were sent to Australia and South America, as well as to England and the Continent.

The Board obtained from the books of a large number of mills, both foreign and domestic, the actual yield of clean wool as compared with the grease weights of the more important grades in common use in the woolen and worsted manufacturing industry.

The result of the raw-wool investigation establishes the fact that it costs more to grow wool in the United States than in any other country; that the merino wools required in such great volume by our mills are the most expensive of all wools produced; that the highest average cost of production of such wool in the world is in the State of Ohio and contiguous territory; and that the lowest average cost on similar wool is in Australia.

It is not possible to state in exact terms the actual cost of producing a pound of wool considered by itself, for the simple reason that wool is but one of two products of the same operation; that is to say, flocks produce both fleeces and mutton—products entirely dissimilar in character and yet produced as the result of the same expenditure for forage and for labor. The only practical method, therefore, of arriving at the approximate cost of the wool is to treat fleeces as the sole product and charge up against their production the entire receipts from other sources. This method gives an accurate result so far as the profits or losses on flock maintenance are concerned; results which are comparable as between various sheep-growing regions.

In order that results from the different sections and from different countries might be more comparable, the item of interest on investment, which varies from 5 per cent in Australia to 10 per cent in our

Western States, was left for consideration in connection with profits. For a similar reason the actual production cost of harvested crops fed to flocks was used instead of the market value of same. On this account the expense charges shown are materially lower than those commonly quoted in the industry.

Figured in this manner the Board finds:

That after crediting the flock with receipts from all sources other than wool, the latter product, in the case of the fine merino wools of the United States, is going to market with an average charge against it of not less than 12 cents per pound, not including interest on the investment.

That the fine wools of the Ohio region are sold bearing an average charge for production of 19 cents per pound.

That in the States east of the Missouri River wool production is incidental to general farming. Here producers, with the exception of certain named districts, lay more stress upon the output of the mutton than of wool, and in such cases the receipts from the sale of sheep and lambs ordinarily cover the flock expense, leaving the wool for profit. The position of the fine-wool producers, however, not only of the Ohio region, but of the far West, is radically different.

That in the western part of the United States, where about two-thirds of the sheep of the country are to be found, the "fine" and "fine medium" wools carry an average charge of at least 11 cents per pound, interest not included.

That if account is taken of the entire wool production of the country, including both fine and coarse wools, the average charge against the clip is about 9½ cents per pound.

That in South America the corresponding charge is between 4 and 5 cents per pound.

That in New Zealand and on the favorably situated runs of Australia it seems clear that at the present range of values for stock sheep and mutton the receipts from other sources than wool are carrying the total flock expense. So that taking Australasia as a whole it appears that a charge of a very few cents per pound lies against the great clips of that region in the aggregate. While the Board can not therefore undertake to name an exact figure in that case, it is certain that the Australasian costs at large fall materially below the South American.

That in the Western United States the capitalization per head of sheep (exclusive of land) is \$5.30, upon which a gross profit of 6.2 per cent was realized. The inter-

est rate in that region ranges from 8 to 10 per cent per annum.

That the labor, forage, and necessary miscellaneous expense in the Western United States exceed \$2 per head per annum as against an estimated cost, covering the same elements of expense, of less than \$1 in Australia and about \$1.15 per head in South America.

Wool Duties.

The Board finds that the present method of levying the duties upon raw wool is defective in that it operates, by reason of the varying shrinkages of the different kinds of wool, to prevent the importation of many heavy-conditioned sorts which if imported would add substantially to the stock of sound staple available for the manufacture of woolen fabrics.

That there is no valid reason for the discrimination that now exists as between the wools of Class I (merino and cross-bred) and Class II (English, medium and luster), and that these two classes could properly be consolidated.

That the present duty of 33 cents per pound on scoured wool is prohibitive, preventing effectually the importation of clean, low-priced foreign wools of the lower grades that would be exceedingly useful in the manufacture of woollens in this country, and if so used might displace in large measure the cheap substitutes now so frequently employed in that industry. The fact that such cheap wools are of such heavy shrinkage that they can not be imported in an unscoured state emphasizes all the more the prohibitive character of the present scoured pound duty.

That an ad valorem rate is open to grave difficulties from the point of view of administration and revenue in the case of a crude, bulky commodity like wool, produced in many remote regions and finding its way into the markets through so many various channels of trade.

That, furthermore, an ad valorem rate would give a high duty per pound when prices are high—that is, when the consumer most needs relief and the producer is most able to bear competition. With a low price of wool the duty per pound would be low—that is, at the time when the consumer has less need of competing wools and the producer is least able to bear competition.

That the chief objections to the present rate on the grease pound could be met by levying some form of specific duty based on the clean or scoured content of the wool imported.

That the necessary machinery for testing at ports of entry could be installed

promptly and cheaply and could be maintained efficiently at small expense.

Shrinkages.

The rates of Schedule K are based upon the assumption that wools in the grease shrink an average of 66 2-3 per cent. While it is true that considerable quantities of wool do shrink that amount, the average is well below that figure. Certain very heavy wools grown at the South African Cape and in certain districts of Australia, South America, and the Western United States shrink as high as 70 to 75 per cent.

From actual examination of domestic mill records it is found that the average shrinkage of the fine merino wools now being imported into the United States from Australia and South America is about 48 per cent.

Similar wools from the same countries finding their way to European markets shrink considerably more, which fact reflects the exclusion of the heavier conditioned wools from our markets.

That the average shrinkage of our fine Western wools is 67 per cent, the average shrinkage for all the wools of that region being 62 per cent.

That the average shrinkage of Ohio and other fine domestic fleeces is 60 per cent.

That the average shrinkage of the lower grade domestic sorts is about 45 per cent.

That the national average shrinkage would fall between 55 per cent and 60 per cent.

That South American crossbred wools now being imported shrink an average of about 33 per cent and the Australian crossbreds about 30 per cent.

That the Class II (English washed) wools shrink, as a rule, from 18 to 30 per cent.

In this connection it should be borne in mind that the merino and crossbred fleeces now entering our market have been, as a rule, "skirted" or trimmed before shipment, so that their yield of clean wool is higher than would otherwise be the case.

Noils and Wastes.

Practically no wool wastes or shoddy are imported under the present rates, which are, in effect, prohibitory. The same duties are applied to wastes of an entirely different character. No comparison as to the cost of production of such products can be made. Noils and wastes are merely by-products of the worsted industry and their values bear, in the main, a certain definite relation to the value of the scoured wool from which they come. The present duties on these products are, in theory, adjusted to the actual rates of duty paid on the scoured content of the wools imported, but are not so adjusted in fact.

For example, the duty on soft wastes is nearly half as high again as the duties levied on the scoured content of wools actually imported under present conditions,

and the rate of duty on noils is practically equal to the rate of duty actually paid on the scoured content of imported wool.

Rags and Shoddy.

The duties on rags and shoddy are practically prohibitory. The duty on shoddy bears no relation to the cost of manufacture. A much lower duty would equalize the difference in cost of production to the shoddy manufacturer. Shoddy, however, competes with wool and the duty acts as protection to the wool grower. Although all shoddies except the very finest are of much less value than scoured wool, the present duty is higher than the duty on the scoured content of the wool actually imported. On the other hand, woollen rags are exported very largely from the United States and American shoddy is imported into Great Britain in considerable quantities.

Wool Manufactures.

The present duty practically excludes tops from importation and all yarns except worsted yarns of the greatest fineness and value. The same is true of low-grade and medium cloth for men's wear, with the possible exception of very light weight goods. A considerable quantity of the fine and expensive fabrics are imported. In the fiscal year 1911 these paid a duty amounting to 94.17 per cent ad valorem. These did not constitute 3 per cent of the total consumption of the United States. Women's dress goods weighing 4 ounces or under per yard are still imported in large quantities, and these paid in 1911 an average duty of 102 per cent.

On fabrics there are two duties—a specific duty levied on weight and an ad valorem duty. The specific duty theoretically compensates the manufacturer for the extra cost of his raw material due to the duty on wool. This compensatory duty is fixed at a point intended to be adequate to compensate the manufacturer using nothing but foreign wool of 66 2-3 per cent shrinkage. Practically no wool of such heavy shrinkage is imported under the present tariff duty. Consequently, the specific duty is more than compensatory for manufacturers using wools of lighter shrinkage.

This is true to a much greater extent in the case of fabrics made partly or wholly of shoddy, wool wastes, and cotton. An attempt to adjust the compensatory duty to the character of the material used in the fabric is made by the present tariff act, which fixes the compensatory duty at 33 cents a pound for goods worth not more than 40 cents a yard as against 44 cents per pound for goods worth more than 40 cents a yard. The lower rate, however, for the cheaper goods is equally in excess of the actual compensation needed as is the higher rate on medium goods. The result is that on low-grade goods a specific duty

of 33 or 44 cents is sometimes in excess of the total value of the raw material in this country. Consequently the nominal duty on certain cheap fabrics, if imported—which is impossible under the existing duty—is commonly as high as 150 per cent ad valorem, and in some cases even over 200 per cent.

Much of the objection to the present compensatory duty as giving excessive compensation would be removed by putting the duty on wool on the scoured basis instead of on the grease pound. The compensatory duty in that case could be adjusted to the actual wool content in the case of all-wool goods, at least, and would be entirely independent of the disputed point of grease-wool shrinkages. As in the present act, it could be made proportionately lower for goods containing other materials than wool, by means of a separation according to value.

On cheap and medium grades of cloth for men's and women's wear, excepting light-weight dress goods, the combined specific and ad valorem duties are much in excess of the difference in the cost of production here and abroad.

Relative Prices.

On the other hand, prices in this country on the fabrics just referred to are not increased by the full amount of the duty. A collection of representative samples was made in England of goods ranging from those which can not be imported at all to those which are imported continually. These were then matched with a collection of samples of American-made cloths which were fairly comparable, and the mill prices compared for the same date. It is found that on goods entirely excluded the nominal rates of duty would reach an ad valorem rate of 150 or even over 200 per cent, but that the American fabric is actually sold in the market at from only 60 to 80 per cent higher than similar goods sold abroad.

On the sixteen samples of foreign goods, for instance, none of which is imported, the figures are as follows:

Total of foreign prices.....	41.84
Duties which would have been assessed had they been imported..	76.90
Foreign price, plus the duty, if imported	118.80
Actual domestic price of similar fabrics	69.75

Thus, though the nominal duties on such fabrics are 184 per cent, the actual excess of the domestic price over the foreign price on similar fabrics of this kind is about 67 per cent. This is the result of domestic competition. At the present time the industry in general is on a competitive basis.

Certain specialties may be produced in limited quantities by particular firms

which can not be duplicated successfully by their competitors. This might be the result of secret processes or of some special skill in designing or finishing. This may mean a wide margin of profit per unit of product in individual cases. It should also be noted that even in the case of standard goods the industry is one peculiarly dependent on fashion, and the manufacturer who happens to succeed in anticipating the shifting public demand may sell his goods upon a wide margin over the cost of manufacture and make large profits. Under ordinary circumstances the average manufacturer will find that he can sell a part of his output with a good margin of profit, and that another part, which does not meet the public demand, will have to be sold close to the cost price, or even below.

As to the productive capacity of the country in cloth making to meet the domestic demand, there is at the present time no indication of any lack of adequate equipment. It is true that some years ago a greatly increased demand for worsted fabrics, assisted by the high tariff on worsted goods and their by-products, made the manufacture of such goods very profitable and the investment alluring, but this led to a rapid increase of worsted machinery in this country and the building of great modern mills in rapid succession in various parts of the East. A very considerable part of this increase was due to the inflow of foreign capital and the transfer of experienced cloth manufacturers from other countries. The result has been a great increase in competition.

Relative Costs.

The cost of manufacturing woolen and worsted yarns and cloth in the United States is much higher than in Europe. The main elements of cost of production are cost of plant, material, and labor.

The cost of erecting and equipping both woolen and worsted mills is much higher in this country than in England. The cost of erecting and equipping a woolen mill is about 45 per cent greater. The same is true of the weaving department of a worsted mill using American machinery.

The excess in cost in the case of worsted spinning is greater, as most of the machinery is imported. This pays a duty of 45 per cent ad valorem, and to this must be added charges for packing, freight, etc., which makes the foreign machine cost 70 per cent more or over in this country than abroad. Nor does this include the cost of erection, as does the price to the English manufacturer. The same is true of weaving machinery when imported.

The material is increased in price by the duty on raw wool. The manufacturer who imports his wool must pay the full amount of the duty, and this means either additional working capital or an additional in-

terest charge to be paid. Wools grown in the United States are increased in value by the duty, but not by the full extent of the duty.

Wages are much higher in the United States, but wages are, in themselves, no necessary indication of relative cost of production. Frequently it is found that high wages and low labor costs go together. The question at once arises whether the labor in American woolen and worsted manufacturing is more efficient than such labor abroad, or whether by more efficient management or greater speed in machinery the American manufacturer is able to get a larger product per operative in proportion to the difference in wages.

It appears that this particular industry is one in which the high elements of costs in this country are not in general offset by any particular advantage or by any marked superiority in the efficiency of labor. To a certain extent, European countries have the advantage of us in this latter regard. In the centers of the industry abroad there is an adequate supply of labor which has been trained for generations in this one industry. In the United States a considerable portion of the labor is found to be of unskilled immigrants with no previous experience in manufacture; and in certain centers this population is of a very fluctuating kind, and the manufacturer is obliged continually to break in a new set of inexperienced operatives. The American tendency to secure the maximum output is noticeable in some cases, but comparing this country with England, at least, it may be said that the possibilities of speed have been practically reached in the latter country.

So far as worsted spinning is concerned, the best mills in this country seem to be able to operate with fewer operatives per machine, and to get a greater product per operative, than in some European countries, but if this means a sacrifice of quality of product to output it is not really a decrease in cost. Looms in the Bradford district run, on the whole, at a higher rate of speed than do looms in the United States. Furthermore, there is no superiority in American machinery over foreign machinery. As a matter of fact, a large amount of foreign machinery is used in this country, and in the worsted mills covered by the investigation into machine efficiency 87 per cent of all the machinery, from the scouring of raw wool through to the finished yarn, was imported. Only 22.9 per cent of looms were imported.

It may be said, then, that, taking the industry as a whole, the American manufacturer practically has no advantage in efficiency of labor and equipment over his foreign competitor, although this statement is subject to exceptions in the case of, particular processes at particular mills.

On certain specialties the largest and most efficient American mills are able by skillful organization materially to reduce the difference in cost.

The difference in manufacturing cost here and abroad of woolen and worsted fabrics varies greatly, according to the character of the fabrics. The main processes included are weaving, finishing, and dyeing. The figures of the Board show that the cost of turning yarn into cloth in the United States compared with England is all the way from 60 per cent to 170 per cent higher, according to the character of the fabric. For a great variety of fabrics the American conversion cost is from 100 to 150 per cent greater than the English cost. This is further substantiated by the fact that the weaving scales per yard of product in the two countries vary in almost exactly the same proportions. The difference in cost of manufacturing in France and the United States is found to be very close to the difference between England and the United States. On the other hand, the difference in the cost of manufacture in the United States and Germany is somewhat less. Further, it should be pointed out that the statement that the difference in the cost of manufacturing cloth is 100 per cent or more does not mean 100 per cent of the market value of the cloth. It merely means that, given the same yarn, the cost of weaving and finishing in this country is generally somewhat more than double that in England. It is impossible to express this difference in relation to the total value of the product, since the material going into two different articles having the same conversion cost may vary widely in value, while, on the other hand, the material for the production of exactly the same article may vary widely in value at two different periods and the conversion cost remain exactly the same.

Ready-Made Clothing.

The investigation into the ready-made clothing industry shows that the cloth is the largest single element in the clothing produced and is equal to one-third of the net wholesale selling price. It varies with the grade of clothing produced, being highest relatively in the cheaper garments. The cost of linings is about 5 per cent of the net wholesale selling price. The total cost of cloth and woolen materials, taken as a whole, is equal to about 40 per cent of this price.

In considering the importance of cloth cost to the wearer of clothing it is necessary to bear in mind the margin between wholesale and retail price. The retail price is usually 50 per cent or more above the net wholesale price. On this basis about 25 per cent of the price paid to the retailer goes to the manufacturer of cloth.

Taking the industry as a whole, the

Continued on page eighteen).

Workings of Schedule "K" By Fred A. Ellenwood

BEFORE we try to solve any problem, however simple or complex, we must first understand the conditions, which in this case are plain to every one producing wool. Going back a few years we find we had free trade. Now I believe we are united on this point, that we do not want to see the return of those days. Since that time our present tariff system has not materially changed and within the last few years every article we buy has advanced in price; labor has increased about 50 per cent in price but has decreased in efficiency; everything pertaining to our equipment costs much more; we are now compelled to pay for all the feed we get, whether it be corn in the winter on top of a snow drift or a bunch of grass in the summer amidst a thicket of manzanita or snow brush, while the one article, wool, which we have tried to protect and upon which we depend for a living, has not advanced in the past few years but on the contrary has decreased in price and were it not for the present price of mutton, and the hope of a better wool market, many sheep men would have given up in despair long ago.

While our wool market is weak, the foreign market continues strong, which is only a natural result when we stop to consider the fact that in 1909 our importations of unmanufactured or raw wool increased to such an extent that we have a surplus on hand to-day and a dull market for our home wool. Then, I ask, why do the manufacturers and importers prefer foreign wool with duty added to the exclusion of our own? As an indirect answer I wish to quote Congressman Cushman when he said:

"I admire a protectionist; I respect a Free Trader for he is at least consistent; but for the man who wants high protection on the goods he produces, free trade on the articles he consumes, I have neither respect nor admiration."

As a direct answer, I say it is up to us to see who is responsible for this present state of affairs by investigating this Schedule "K" of our present tariff law; translate it into English and mathematics, so that the wool grower and consumer will understand it as well as the manufacturer and importer.

By reading the Bill we find that all wool is divided into three classes: Class 1 being wool of Merino blood, immediate or remote,

down clothing wools, and wools of like character with any of the preceding; China lamb's wool, etc., while Class 2 includes the Leicester, Cotswold, Lincolnshire, down combing wools, Canada long wools, or other like combing wools of English blood, hair of the camel, angora goat, and other like animals; Class 3 being native South American, Cordova, Valparaiso, native Smyrna and Russian camel's hair.

Paragraph 362 is as follows:

"The duty on wools of the first class



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which shall be imported washed shall be twice the amount of the duty to which they would be subjected if imported unwashed; and the duty on wools of the first and second classes which shall be imported scoured shall be three times the duty to which they would be subjected if imported unwashed. The duty on wools of the Third Class, if imported in condition for use in carding or spinning into yarns, or which shall not contain more than eight per centum of dirt or other foreign substance shall be three times the duty to which they would otherwise be subjected."

Please notice that the duty on wool of Class 1, if imported washed shall be twice the duty if imported unwashed. First I wish to say that this proportion is

not correct, as wool washed on the sheep's back does not lose fifty per cent as indicated by doubling the duty, but usually loses, from 25 to 23 per cent, and Class 1 wool seldom, if ever, enters our port in any other condition except in the grease, while practically all of Class 2 wool, coming from Canada enters the United States in a washed condition, but when the duty on washed wool was being doubled in the tariff law, Class 2 was not included in the reading, so all this wool, averaging about sixteen million pounds a year, enters our port at the same duty washed as if it were in the grease, and Canadian wool growers are not complaining.

In defense of this practice, I wish to quote the President and Officers of the National Association of Wool Manufacturers, in a statement submitted to the Committee on Ways and Means, dated February 10, 1909.

English and Canadian Wools.

"Combing wool from England and Canada, a long, rather coarse and distinctly lustrous fiber, is and long has been imported washed, subject to a single duty as wool of Class 2. It has been the practice of English and Scotch wool growers for many generations to wash the wool on the sheep's back and this has naturally become the practice of the wool growers of English and Scotch descent in Canada. There has been some criticism of the fact that wool of Class 2, though washed, is imported at a single duty, while wool of the first class, washed, is required to pay double duty—and it has been asserted that this provision of the tariff gives a distinct advantage to worsted as compared with woolen manufacturers.

Such an assertion is based on a serious misapprehension of the facts. In the first place, this provision for a single duty on washed wools of Class 2 is not of recent origin or inspiration. It has stood in our tariff law for almost forty years. Indeed, it is indispensable if these combing wools are to be imported at all, for they are always washed by the growers themselves and are always imported washed, and they could not be imported at all if they were subject to a double duty; such a duty on these combing wools would absolutely prevent their use, for the limited purpose for which they are employed by the manufacturers of America."

The only excuse here given for maintaining this duty at a single rate is, "that

it is not of recent origin but has remained in our tariff law for forty years." I cannot see any reason for that making it right. We had scab in our flocks for about forty years also, but we finally discovered a remedy just as we will do in this case.

Paragraph 365 Schedule K.

"The duty upon all wools and hair of the first class shall be eleven cents per pound, and upon all wools or hair of the second class, twelve cents per pound."

Paragraph 366.

"Duty upon wools of the third class and upon camel's hair of the third class shall be as follows: If valued at not more than ten cents per pound, three cents per pound; if valued at more than ten cents per pound and not more than sixteen cents per pound, thereunto one-half of one cent per pound for each one cent per pound the value exceeds ten cents; if valued at more than sixteen cents per pound, seven cents per pound."

Paragraph 371.

"The tops shall be subjected to the same duty imposed upon the scoured wool of which they are made and six cents per pound in addition thereto."

Paragraph 374.

"On cloths, knit fabrics, and all manufactures of every description made wholly or in part of wool not specially provided for in this section, valued at not more than forty cents per pound the duty per pound shall be three times the duty imposed by this section on a pound of unwashed wool of the first class; valued at above forty cents per pound and not above seventy cents per pound, the duty per pound shall be four times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto, upon all the foregoing, 50 per centum ad valorem; if valued at over seventy cents per pound, the duty per pound shall be four times the duty imposed by this section on one pound of unwashed wool of the first class and 50 per centum ad valorem."

Let us reduce the reading of paragraphs 362 and 365, pertaining to Class I wools, to figures.

66 2-3 per cent shrinkage—	
100 lbs @ 11 cents (grease).....	\$11.00
50 lbs @ 22 cents (washed).....	11.00
33 1-3 lbs @ 33 cents (scoured).....	11.00
40 per cent shrinkage—	
100 lbs @ 11 cents (grease).....	\$11.00
66 2-3 lbs @ 22 cents (washed)....	14.66
60 lbs @ 33 cents (scoured).....	19.80

In the above table I have used sixty-six and two thirds pounds washed wool because we have already stated that wool loses from twenty-five to thirty-three per cent in being washed on a sheep's back, and have used sixty pounds of scoured wool because the average shrinkage on all wools

entering our ports is about forty per cent instead of sixty-six.

From this we see that all wool imported shrinking less than sixty-six and two thirds per cent would be imported in the grease. As the average shrinkage on all wool imported is forty per cent and not sixty-six and two thirds per cent, after being scoured the protective duty is \$19.80, but the actual duty paid was only \$11.00 by importing in the grease. If \$11 represents the duty paid on sixty pounds of scoured wool, on one pound of scoured wool the duty was 18 1-3 cents, and not 33 cents.

I wish to show the amount of protective duty per pound on wool of the Western states, Wyoming, Idaho, Washington, Oregon, California, Nevada, Utah, Colorado and Texas where the shrinkage is from sixty-six to seventy per cent, but we will take as an average sixty-eight per cent.

On one hundred pounds of this wool, shrinking sixty-eight per cent, there are thirty-two pounds of scoured wool.

Thirty-two pounds of scoured wool at eighteen and one third cents per pound, average duty paid, equals \$5.86 2-3, which represents the amount of protection we get on thirty-two pounds of scoured wool or one hundred pounds of grease wool, and if on one hundred pounds of grease wool our protection is \$5.86 2-3, on one pound of grease wool our protection is 5.86 2-3 cents, which is about one-half of the 11 cents protection in the grease, provided for in the tariff.

Table of Comparison Showing That One Pound of Scoured Wool Imported in the Grease Costs Less Than a Pound of Scoured Wool from Any of the Above Named States Bought at the Above Named Price in the Grease.

I will use twenty cents as the price because I think an Eastern buyer could find a train load of wool at that price in the West today, and I will use 64 per cent as a basis for shrinkage to include all Western States.

Home Wool.	
100 lbs. @ 20 cents.....	\$20.00
64 per cent shrinkage.....	36 lbs
36 lbs costs.....	\$20.00
1 lb costs 55 5-9 cents	

Imported Wool.	
100 lbs @ 20 cents.....	\$20.00
40 per cent shrinkage.....	60 lbs
Duty at 11 cents per lb.....	11.00
60 lbs. cost landed.....	31.00
1 lb costs landed.....	51 2-3 cents

From this table we see that an importer paying the same price per pound for wool plus the duty in the grease does not pay as much per scoured pound for foreign wool as he does for a scoured pound anywhere in the West, showing that the present tariff bill does not take into consideration the difference in shrinkage by paying duty on a pound in the grease.

Statement showing difference between the duty paid on wool in the grease by the importer and the protective duty afforded him after being scoured.

100 pounds at 11 cents per pound, duty in the grease, or 33 cents scoured, is supposed to have shrunk 66 2-3 per cent in scouring, but as the average shrinking is 40 per cent, then 100 pounds at 11 cents duty in the grease, scouring forty per cent, instead of sixty-six and two thirds per cent, leaves an importer sixty pounds of scoured wool instead of thirty-three and one-third pounds as supposed. Then an importer has twenty-six and two-thirds pounds of scoured wool out of every hundred pounds of grease wool he imports upon which he has paid no duty, although he is protected to the extent of 33 cents per scoured pound, or \$8.80.

During the year 1909, the United States imported about 175,000,000 pounds of Classes 1 and 2 in the grease and 136,000,000 pounds of Class 3. 175,000,000 pounds at 11 cents per pound duty, equals \$19,250,000.00 taking forty per cent as the average shrinkage on these wools we would have 105,000,000 pounds of scoured wool, on which the protective duty is thirty-three cents per pound, 105,000,000 pounds at 33 cents per pound equals \$34,650,000.00, which is the protective duty on this amount.

\$34,650,000.00

19,250,000.00

\$15,400,000.00

amount of protective duty, less actual duty paid by importing in the grease, leaves difference in duties which represents the amount of protection lost by wool growers, amount of revenue lost by the Government, but the consumer pays the same price as though these provisions had been carried out.

Profit on scoured wool imported in the grease upon being manufactured into cloth.

The Bill states the duty per pound of cloth shall be forty-four cents per pound, plus 50 per cent ad valorem. The manufacturer states it requires from one and one-quarter to one and one-half pounds of scoured wool to make a pound of cloth, as an average, we take one and one-third pounds as an example. We have already shown the average duty paid amounts to about eighteen cents per scoured pound, then one and one-third pounds of scoured wool at 18 cents duty equals twenty-four cents, actual duty cost on the amount of wool required for one pound of cloth. The protection of forty-four cents per pound, less twenty-four cents duty cost, equals twenty cents per pound profit.

Taking the 105,000,000 pounds of scoured wool imported in the grease during

1909, with an average of one and one-third pounds of scoured wool for one pound of cloth, we would have 78,750,000 pounds of cloth upon which the protective duty is 44 cents per pound, plus 50 per cent ad valorem (which protects the labor performed in transferring it from wool in the grease to cloth): 78,750,000 pounds of cloth at forty-four cents per pound protective duty, equals \$34,650,000.00, which is the amount of protective duty afforded on 78,750,000 pounds of cloth, or on the 105,000,000 pounds of scoured wool at thirty-three cents per pound.

To substantiate the figures I have used I refer you to an argument appearing in one of the magazines between Edward H. Moir, President of the Carded Woolen Mills, and W. F. Whitman, President of the National Association of Wool Manufacturers, in which Mr. Moir states: "Some of the wool imported shrinks as low as twenty per cent, none of it shrinks more than fifty per cent, while the average is estimated by competent experts to be forty per cent, so that a scoured pound costs as low as fifteen and on an average of nineteen and one-half instead of thirty-three or thirty-six as supposed."

In the above reasoning I have purposely omitted all expense of handling, freight charges, scouring, etc., because that is practically the same, no matter what per cent of shrinkage the wool may have we are handling, and that expense is all covered when the duty on cloth is arranged at four times the duty of a pound in the grease, shrinking sixty-six and two-thirds per cent, plus 50 per cent ad valorem, therefore, all wool imported shrinking less than sixty-six and two-thirds per cent would show as much profit as it shrinks, less than sixty-six and two-thirds per cent, and the cost of operation does not enter into our question of discussion.

By his reasoning I think I have demonstrated three things: First, that the wool grower is not getting the protection that he thinks he is under our present protective tariff, Schedule K.

Second, that the manufacturer and importer by importing light shrinking wools and paying duty on the same per pound in the grease, are winning and the Government losing, millions of dollars annually.

Third, that the consumer has paid precisely the same price for manufactured articles as he would have paid had the wool grower received the protection that he is supposed to get and the Government received the millions in revenue to which it is now entitled.

Now then, in answer to our original question, which is, "Why do manufacturers and importers prefer foreign wool with duty added to our own?" I say, simply because there is more profit for them so long as they are able to buy light shrinking

wools, which is not difficult, while the skirted wool continues to come from Australia, the washed wool from Canada, the Angora goat wool, Camel's hair, etc., from various places under the present elusive tariff system.

We can see from this that the price of wool grown in the United States is not regulated by the amount produced or consumed therein, but by the amount of light shrinking wools imported under a false protection.

Contrary to these actual conditions under which the sheep industry is laboring, the public, including leaders of all political parties, are led to believe that the wool grower is living in luxury and that the tariff on wool must be reduced, and was reduced on Class 3, raw wool, last winter but not on the manufactured article, which only decreased our already small protection increased the manufacturer's profit and the consumer pays the same price for woolen goods.

From this we see whenever any cutting is to be done some one seems to point the big knife in our direction, so I say Let the Light be turned on the unequal protection of Schedule K as was done in the meat industry, the sugar industry, and the life insurance business.

The investigation into the meat industry, resulted in the enactment of the Pure Food Law which gave to the consumer means of knowing what he was purchasing, protects the manufacturer, who is doing a legitimate business and exposes those who are not.

As to sugar, the recent investigation resulted in the exposure of corrupt practices in weighing, men being sent to jail and duty is now collected on the per cent of purity.

As to the life insurance business, before investigation took place, many companies wrote policies that were all right upon the face but various conditions on the back all summed up amounted to this fact. The policy would not be paid if the policy holder died a natural death or was killed by accident, but the exposure of these conditions resulted in good for the public and protected the insurance companies that desired to conduct their business on an honest basis.

Now then, as good resulted in the investigations of the above industries to every one concerned desiring to do the right thing so will it be in the woolen industry, then, let us be the ones to start the investigation into the actual conditions surrounding this industry and place these conditions before the public so clearly that they cannot help but see the good that will result to them by the enactment of a new law, which is inevitable; and the underlying principle of this new law should be that the duty on importations of wool shall

be paid on the basis of a scoured pound.

This principle is not favored by either the carded or worsted manufacturers, because the duty on light shrinking wool could not be evaded as now. They are having a fight among themselves at present because the worsted men import more wool of light shrinkage than the carded men. The worsted men are trying to maintain the present system; the carded men are trying to have the duty paid on an ad valorem basis. This ad valorem duty would benefit the carded men and adjust the differences somewhat that now exist between them and the worsted men but it would not be much if any to the wool grower, who will be protected when the percent of shrinkage is taken into consideration and not until then. Under the present system the importer brings in one pound Class 1 wool on which he pays eleven cents per pound duty in the grease, and the supposition is that he will have only five and one-third ounces after he has it scoured, but he imports such wool that he has from eight to twelve ounces after scouring, thus evading the duty on the difference between five and one-third ounces and the amount he may have, running from eight to twelve ounces. If our system were based on a scoured pound then the importer would pay for five and one-third ounces, eight, ten, or twelve, whatever it might be accordingly, which is only fair to him and his opponents, and we would know the extent of our protection. In other words, when he has now paid the duty of thirty-three cents on a scoured pound he may have as much as twenty-seven ounces of scoured wool. All we ask is that the duty be based on the proportion of sixteen ounces per each pound of scoured wool.

Our opponents will say that the per cent of shrinkage cannot be accurately determined, but I say that it can be done by actual test, just the same as the government determines the percentage of alcohol in distilled spirits, such as alcohol, whiskey or brandy.

I believe there are men among us who can put Schedule K before the Tariff Commission and Congress so that the duties will be paid on the basis of so much per scoured pound, plus an ad valorem duty sufficient to equalize the difference in value of wool; the price to the consumer will be reduced and each wool grower whether he produces light or heavy shrinking wool will be justly protected, and all parties concerned will get a square deal.

In conclusion I wish to say that I have merely presented this subject as I see it after careful consideration in the hope that good may result therefrom to the sheep business, for I am a fellow wool grower and interested in the future of this industry the same as you. Our incomes

are regulated by the same conditions; then I say let us study this tariff question carefully to discover, if possible, who our friends are and who are not; let the public know that we are not getting justice, and that we need all that we are asking, then let the majority decide what plan of procedure will result in the most ultimate good, and all work and fight for that end as one.

RESOLUTIONS NATIONAL WOOL GROWERS CONVENTION

(Continued from page eleven).

flockmasters of the United States has been the publication of the National Wool Grower, and we hereby commend to this Convention the proposition of placing this journal on a permanent basis through incorporation or otherwise.

Government Control of Corporations.

Resolved, That we favor a Government control and regulation of all corporations conducting an interstate business.

D. O. Lively.

Resolved, That we urge upon the President of the Panama-Pacific International Exposition the appointment of D. O. Lively of Oregon, as Director of the live stock exhibit.

National Wool Warehouse and Storage Company.

Resolved, That we favor and recommend to the support and patronage of the Wool Growers of this country the National Wool Warehouse and Storage Company.

Co-operative Woolen Mills.

Resolved, That we recommend to the wool growers and consumers of the United States that they give their generous support by patronage and otherwise to the Co-operative Manufacturing Enterprise of the Wool Growers, for we feel that this move can fully demonstrate that the cost of woolen goods should be within the reach of all.

Bureau of Animal Industry.

It is with great pleasure that we endorse the work of the United States Bureau of Animal Industry, and we desire to extend our thanks to the Honorable Secretary of Agriculture and to Dr. A. D. Melvin, for the great assistance the Bureau of Animal Industry has rendered to the live stock interests.

Forest Reserve Officials.

And we further extend our hearty appreciation and thanks to Forester Graves and Assistant Forester Potter for their

fairness, and for the intelligent manner in which they have considered our relation to the National Forests.

Thanks.

Resolved, That the National Association of Wool Growers in convention assembled hereby thank the railroads which made rates for delegates attending this convention; we wish to extend our deep appreciation of the sterling work performed by President F. R. Gooding, Vice-President A. J. Knollin, Vice-President George Austin, Secretary S. W. McClure, and the Executive Committee during the past year, and, finally, we thank and congratulate the City of Omaha, the Commercial Club of Omaha, the Elks Club, the Press, Mr. and Mrs. F. N. Haller, the Young Women's Christian Association, the Young Men's Christian Association, the City of South Omaha, and especially the good ladies of Omaha, who have made our welcome so hearty and enjoyable.

Unanimously adopted,

NATIONAL WOOL GROWERS ASSOCIATION.

SYNOPSIS OF REPORT OF TARIFF BOARD.

(Continued from page fourteen).

cost of material, labor, and all other expense undergone in converting material into finished garments is 80 per cent of the net wholesale selling price of the finished product. Out of this 20 per cent margin between the total manufacturing cost and the manufacturer's net selling price come selling expense, such general expense as can not be charged directly to manufacturing or selling, and profit. These figures apply particularly to men's clothing, where garments are more standardized and represent costs more easy to secure.

In women's garments the cloth is also the largest single item. In skirts it is equal to 40 per cent of the net wholesale selling price; on most coats equal to between 30 and 35 per cent; on cheap suits it is over 25 per cent; and on more expensive varieties it falls below 20 per cent. To the manufacturer, therefore, cloth is not so important an element of cost in women's clothing as in men's. On the other hand, the labor and manufacturing expense are more important in women's clothing. The margin remaining to the manufacturer of women's garments over and above the cost of materials and expense of converting them into wearing apparel is somewhat less than in the men's clothing industry, but selling expenses are considerably lower for these establishments.

There is submitted a detailed statement for an actual standard high-grade suit of

all-wool cloth, which traces the relation of costs and prices in detail for each process of production from the retail price to the cost of wool on the farm.

Three-Piece Suit.

Regular wholesale price, \$16.50; retail price, \$23 and up. Cloth, fancy worsted.

COST OF STOCK.

Trimnings: Body lining, \$0.38 1/4 per yard. Sleeve lining, \$0.18 per yard.

Number of yards per suit: (a) Coat, 1.8; (b) pants, 1.35; (c) vest, 0.45; total, 3.6.

Cost of cloth used in suit: (a) Per yard, \$1.328; (b) total, \$4.78.

Cost of Wool in Sample Suit.

It is estimated that the half-blood wool grown in the Ohio region during 1910 carried an average flock expense charge of at least 16 cents a pound. This does not include interest on the investment in the sheep; and all profit above bare production cost of the crops fed to the flock is eliminated. For this wool 23 cents a pound was received by the grower. The cost at the mill was 25 cents a pound. The amount of wool required for each yard of cloth going into this suit is 2.7 pounds. As it requires 3.6 yards of cloth to make the suit, the amount of wool in the whole suit would be 9.7 pounds. At a cost of 16 cents per pound, the total cost of raising the wool for this suit would be \$1.55. Out of 25 cents per pound, the price paid by the manufacturer, the wool grower would receive \$2.23, or a margin of 68 cents. While the average Ohio flock covered by the Board's investigation, as reported elsewhere, consists of about 200 sheep, shearing an average of 7.6 pounds of wool, the general flock average of the entire State is but 55, and the general shearing average of the State 6.5 pounds per head. Using this as a basis, it appears that at 23 cents per pound selling price there would be a return of \$1.49 1/2 per fleece; the actual cost of which was not less than \$1.04, leaving an apparent profit of 45 1/2 cents per fleece. This indicates that the owner of fifty-five average sheep of shearing age in the average flock would receive \$25.02 as the proceeds of a year's maintenance.

The people of Omaha and South Omaha will long be remembered by the wool growers for the extreme kindness shown them during their stay in those cities. The people of those cities did everything in their power to make the visit of the wool grower one of pleasure and profit.

The greatest victory ever won by the American wool grower became history when the President and the Tariff Board urged that wool duties be levied on the scoured basis.

Delivered by A. F. Potter
Associate Forester

Relation of Forest to Flockmaster

National Wool Growers
Convention

THE uses of the forest in which the flockmaster has an interest are only to a very small extent dependent upon its timber products. While his needs for firewood and building material are important and may be supplied from the forest, he is most concerned with the use of the forage crop which grows among the trees or on the open slopes between the patches of timber. This furnishes the Summer range which through many of our Western States is so essential to successful sheep raising, because to raise the best lambs you must have green feed for the ewes in order to give the lambs a thrifty start during their early life. On many of the Western ranges, the Winter feeding grounds are on the desert where both the feed and the water dry up early in the Spring, and their use is absolutely dependent upon Summer feeding grounds located in the adjoining mountains. In other localities where there is a permanent water supply upon the Winter range or where sheep are kept in pastures and fed hay or grain during the most severe Winter weather there is also the need for use of a range in the mountains, as that is where the best feed is found during the Summer. For this reason most of the mountain ranges which have been included in the national forests had been occupied by the flockmasters long before the forests were created. Unfortunately the demand for Summer range in many localities was in excess of the supply, and in the absence of any system of regulation this naturally resulted in overstocking and in serious damage not only to the range itself but also to the young forest trees. Most unfortunate of all, an absolute waste of a large portion of the forage crop was caused by the lack of systematic use and many of the ranges were fast deteriorating in grazing value while carrying only a number of stock which could have been sustained under proper regulation. Realizing the importance of the live stock industry to the general welfare of the West, the Forest Service, from the beginning of its administration of the National Forests, adopted a constructive policy in dealing with grazing problems. It has always been the aim to secure just as full use of the forage crop as was possible without serious injury to other interests dependent upon the forests. Regulated grazing is not only consistent with

good forest management but many advantages are gained through the presence of the live stock in the forest and the assistance and co-operation of the stockmen. At first the immediate need was to check the damage and waste with the least possible curtailment of grazing privileges. It would, of course, have been easy to stop the damage from grazing by excluding all stock, and in the early days of the forest reserves, before the task of administering them had been put in the hands of a tech-



A. F. POTTER,
Associate Forester, Washington, D. C.

nical bureau, this plan was not only advocated but to a considerable extent adopted. The Forest Service, however, has always stood for the principle of conservation through use. From the outset it has sought to regulate, not to prohibit, the use of the range, having in view the interests and needs of the stock industry as well as the needs of the forest. The problem, therefore, which the Forest Service undertook to solve was how to stop the damage and bring about an improvement in the condition of the ranges while they were still in use. The first thing to be done was to make such divisions as were necessary to secure the use of each portion of the range by the kind of stock for which it was best adapted and so far as possible to

give each group of owners the use of the range upon which they had customarily grazed their stock. Then an effort was made to classify the ranges and designate what portion should be used only during the Summer season, what portion during the Winter, Spring or Fall, and what portion during the entire year. In each instance fixing the date for the beginning and closing of the season, with due allowance for the variation between different years. These first steps did much toward stopping the waste of forage and demonstrating that the application of better methods in handling the stock was worth while. Then attention was given to extending the area of available range and steps were taken to encourage the development of water where this would make possible the use of range which otherwise could not be reached or where it would obviate long drives and the concentration of such large numbers of stock at one watering place as would cause the grass in its immediate vicinity to be damaged by continuous tramping. Where it was found that unused ranges were inaccessible on account of the lack of trails every effort was made to open up or construct the necessary drive-ways and on some of the forests the available range has been very widely extended in this way.

Whenever it has appeared that the ranges were so badly overgrazed that a reduction in the number of stock was absolutely necessary, such reductions have been made gradually from year to year so that reasonable opportunity might be given the stockmen to either find other range for or dispose of the surplus stock and that the changes might not cause any serious disturbance of business affairs. Unfortunately it has been necessary to make quite heavy reductions on some of the forests but on the whole the increased number of stock provided for on other ranges has so nearly offset this that the total number of animals now grazed upon the national forest ranges almost equals the number which originally occupied them. During the past year 25,600 permits were issued allowing the grazing of 1,442,000 cattle and horses and 7,450,000 sheep and goats. This is slightly less than the number grazed during the previous year, for the reason that the net area of the national forests was reduced 2,300,000 acres, all of which was land located along the boundary of the forests and chiefly

valuable for grazing or agricultural use. The average number of cattle and horses per permit was only seventy and of sheep and goats only 1,459, as against an average of seventy-two cattle and horses and 1,531 sheep and goats the preceding year. Crossing permits were issued free of charge, allowing over 80,000 cattle and horses and almost 5,000,000 sheep and goats to be driven to private lands within the forests or across the forest lands to outside ranges or shipping points. Permits are not required where small bands of stock are driven along public highways or where the stock is not grazed upon forest land en route. Considering the large number of stock involved, there has been surprisingly little abuse of the crossing privilege and no injury to forest interests has resulted.

During the past year reductions in the number of stock as a measure of forest or watershed protection or to reduce damage from overgrazing, were made on only seven of the national forests. On the other hand, numerous increases in the numbers of stock were authorized which in the aggregate exceeded the reductions to such extent that the total allowances for the year on the range retained within the forests were greater than those of the preceding year. This indicates clearly that the collective grazing capacity of the national forests is gradually being increased. There are a few forests upon which the full reductions necessary to bring about recuperation of the range has not yet been made, but except for these few unusual cases it is believed that the national forest range has been brought to a point where further reductions to stop damage from overgrazing are not likely to be called for.

On some of the forests in northern Washington, Idaho and Montana there are large areas of splendid Summer range which are unused. Energetic efforts have been made by the Forest Service to promote the utilization of this surplus forage, but with only partial success, and enormous quantities of feed went to waste, adding greatly to the fire danger. These ranges are more or less inaccessible from Spring, Fall and Winter ranges and railroad shipping points, and flockmasters, discouraged by depression in market prices, did not care to avail themselves of the inducements offered by the Forest Service or the concessions granted by the railroads in the form of feed in transit rates. The effort to stock these ranges will not be relaxed, and it is anticipated that eventually the forage upon these ranges will be fully utilized.

Much has been said about the protection which the grazing of sheep gives to the forest through removing that great fire menace, the unused crop of forage, and I want to add my testimony in favor of the sheep. The removal of the forage crop in a proper way does greatly reduce the

fire danger and protect the forest from its most destructive and dangerous enemy. It is impossible to maintain either a mature or growing forest unless fire can be kept out. In my earliest observations of forest conditions I noticed that on ranges where the amount of grazing was practically equal, the portion which was protected from fire by deep canyons and other natural barriers was producing a good crop of young trees, while on the portion which was not protected in this way the young growth was very scattering. On lands which contain a mature stand of timber if the only thing to be considered is the safety of the timber which is being held until market conditions warrant its cutting, the closer it is grazed the better. This is the reason why many timber land owners are willing to offer grazing privileges upon extremely favorable terms. When the timber is cut and it is desired to grow another crop of trees upon the land it is an entirely different matter, however, and then the effect of grazing upon the young growth must be given careful consideration. If conditions are favorable to natural reproduction of the forest then it may be possible to allow a continuance of grazing by reducing the number of stock to some extent until the young trees have made a sufficient growth to be out of danger from trampling or nibbling, but if it is necessary to replant the area with nursery stock then the area must be closed against grazing for a few years until the young trees get a good start. These operations need not seriously interfere with the general use of the range for grazing, however, for the reason that the combined area either cut over or replanted each year is less than 1 per cent of the total national forest area. Therefore on practically the entire national forest range it is simply a question of regulating the grazing to such extent as may be necessary to permanently preserve good forest and grazing conditions.

Some very careful investigations of the damage done to young trees by different kinds of stock have been made during the past year. The plan of study was to mark the boundaries of small plots in ranges used by the different kinds of stock and count the number of seedlings and young trees at the beginning of and at different periods during the grazing season. Upon 200 of these plots on one of the national forests in the Southwest it was found that an average of over 20 per cent of the seedlings and young trees had been seriously injured by either trampling or nibbling. On some of the ranges used extensively by sheep the proportion of trees damaged was in some cases over 50 per cent.

The fact that the most damage was done during the period when there was the greatest scarcity of feed indicates, however, that the damage was due largely to

overgrazing and that with proper restrictions in the number of stock the injury to young trees would be reduced to a point where it would not prevent natural reproduction of the forest.

The majority of the purely administrative problems connected with the utilization of the forage resources of the national forests have been solved and the immediate and urgent problem which now confronts us is the development of the ranges within the national forests to the highest possible state of productivity. Plans for intensive forest management must always take carefully into account the general welfare of communities within and surrounding the national forests. These communities are mainly agricultural and largely dependent upon the live stock industry for their existence. By an increase in the amount of forage produced not only is the interference with proper forest management reduced to a minimum and the chief problem brought that much nearer to solution, but the application of advanced silvicultural principles is made possible without any reduction in the number of stock grazed.

By proper restriction in grazing the damage has been checked, and in many instances overcome within the national forests, but in the main the depleted grazing lands have not yet been restored to their maximum productivity. The problem in general presents three phases: (1) the restoration of depleted ranges to their normal productivity; (2) the development of unused ranges; and (3) the gradual increase of the carrying power of the ranges through the discovery of improved methods of handling stock and growing the forage crop. It is hoped that these purposes may be accomplished by the methods which have been adopted.

In order to secure an adequate basis for the immediate and future utilization of the forage products of the forest along lines most productive to stock growers and least injurious to other interests, there is need for a careful and thorough reconnaissance of each forest under the direction of men experienced in methods of handling stock upon open ranges, and thoroughly qualified to determine all factors influencing range management, either favorable or adversely. This work is well under way. It will aim to determine the character of all land within the forests, the kind of stock to which each natural grazing unit is best adapted, the natural periods of use for grazing purposes, the undergrazed and the fully grazed and overstocked ranges. Already the grazing management of several forests has been materially improved as a result of these studies.

The series of experiments to determine the feasibility of lambing sheep in small enclosures, which was initiated upon the Cochetopa forest in Colorado during the

Spring of 1910, as reported in Forest Service Bulletin No. 97, was continued throughout the year, fairly conclusive results being secured. The general plan adopted in this experiment was to fence a portion of the lambing ground and divide it up into five and ten-acre pastures. Each day the ewes with new-born lambs were placed in one of these small pastures where they could be given close attention. After a day or two when the lambs had become well acquainted with their mothers they were moved to other pastures and held there until the lambs were old enough to be taken outside. It was demonstrated that under conditions comparable to those governing the experiments, the pastures would effect a saving of lambs and labor which during the life of the improvements would more than offset the cost of construction and maintenance, and would largely obviate the losses often sustained through inability to secure the necessary labor at lambing time. Under existing methods lambing on the range is injurious to the areas used, losses are large, and the operation is expensive; consequently the determination of a method by which sheep may be lambled upon small areas with a maximum percentage of increase, a minimum cost, and a minimum of damage to the forest lands will be of large importance.

The coyote-proof pasture experiment, which for four years past has been conducted upon the Wallowa National Forest, was continued during the year. The sheep were handled by a regular herder without assistance by the Forest Service, and the results show the same reductions in expense in amount of range required, and in percentage of natural loss, and the same increase in weight of the lambs as was secured in preceding years.

In connection with the study of the mountain bunch-grass ranges preparations were made for the application of the rotation or deferred grazing system upon ten overgrazed sheep allotments, investigations having demonstrated conclusively that by proper rotation in the use of grazing lands it is possible to secure a thorough natural reseeding of certain classes of land at intervals without any serious decrease in the amount of forage available for use.

In order to inaugurate a judicious grazing system such as would result in the highest productiveness and utilization of the range, it was necessary as a preliminary step to study the life history of the most valuable grazing plants. The most important fact learned was that the seed crop of the most valuable range grasses ripened between August 15th and September 1st, after which there remained fully one-fifth of the usual Summer grazing period.

In the beginning it was presumed that

the best results would be secured through closing during the entire season the portion of the range selected for reseeding, but the investigations conducted have already demonstrated that it is only necessary to defer grazing upon the selected area until after the seed crop has ripened. The use of the range during the latter part of the season has proven beneficial because the stock tramping the seed crop into the ground secured better stands of seedlings than were secured where the area was entirely closed against grazing. This demonstrates the possibilities of natural reseeding without waste of forage and without reducing the total number of animals grazed.

The experiments in reseeding the ranges with introduced grasses were widened. Over 300 experimental sowings were made in the calendar year 1910. The drought which prevailed throughout the Western States militated against successful results. The season of 1911 will afford a better test of what can be done.

The result of the investigations thus far conducted, however, have shown very conclusively that it is extremely difficult to successfully introduce new grasses upon the open range, and that our success in increasing the forage crop upon the national forests must very largely depend upon securing a natural reproduction of the grasses which are already there. In other words, it is of the greatest importance that we take care of what we have got, because of the difficulty of again seeding the ranges after the native grasses have been destroyed.

Of the many forage species tested on the national forests relatively few have given satisfactory returns. The requirements of the different species, the cost of the seed, and the ability of the plants to withstand trampling vary widely. As an example, redtop succeeds better than any other known cultivated forage grass on poorly drained bogs where the soil is acid or sour in character. It makes an excellent turf and is not easily injured by trampling. On the other hand, Hungarian brome-grass is wholly unsuited to such a habitat, but is better adapted than any other to arid localities. Timothy is adapted to a very much wider range of conditions than either of the species mentioned. It is fairly drought resistant and yet it can be depended upon to make a good stand in moist meadows. Judging from the experiments the most promising cultivated species for range reseeding on the lands studied, naming them in the order of importance are timothy, Hungarian brome, Italian rye, redtop, Kentucky bluegrass, alsike and white clover, orchard grass, tall meadow oat grass, Canadian bluegrass, and hard or sheep fescue. In all cases except in parts of the Southwest Fall seeding has given much better results than sowing in

the Spring. The number of scientific men employed upon these investigations is being gradually increased and every possible effort is being made to assist the stockmen through the application of the knowledge gained to the management of grazing upon the national forest ranges.

The Forest Service has given continued encouragement to the organization of local live stock associations through the recognition of advisory boards representing the users of the forests. A total of sixty-eight advisory boards have been recognized and are now co-operating effectively with the Forest Service in the settlement of grazing problems. Advisory boards representing both the American National Live Stock Association and National Wool Growers Association have been appointed and will be consulted with in regard to matters which affect the interests of the stock men as a whole. I am sure that the advice given by these representatives will be of great value. Since the gradual adjustment of grazing problems in this way has removed the causes of dissatisfaction there appears to be a relaxation of interest on the part of the stock men in some localities. Many fail to realize that organizations to promote their interests are as valuable as organizations to protect them and where there is every prospect of continued enjoyment of the present grazing privileges it is difficult to maintain active organizations.

I want to impress upon you just as forcibly as I can the importance of doing everything possible to strengthen your organizations and keep up a live interest in them. Matters of vital interest to every flockmaster in the land are continually coming up, and the only way in which you can hope to hold your own is through an efficient organization which is always ready to take your part. The Forest Service is at present entering new fields of scientific range management and is engaged upon problems of great interest to the stock growers. I am sure that with the co-operative assistance which you are so willing to give us we shall be able to better meet the needs of the flockmasters and make the forests more useful to all of the people.

Don't forget that the National Wool Growers Association was the first organization in this country to propose and support the idea of placing wool duties upon the scoured basis and the fact that the President and the Tariff Board have both recognized the justice of this form of duty will long stand as a tribute to the honesty and efficiency of this organization.

Who will get five new members for the National? One man has agreed to get twenty and has already sent in the dues for four of them.

Wool Manufacture in America and Europe

By JULIUS FORSTMANN

Passaic, N. J.

IT IS a generally recognized fact that the opportunities for earning a livelihood are better in the United States than in any other country. The highest wages are paid here for all manual labor, as is demonstrated by the steady stream of immigrants to America, which has been so great as to necessitate the passing of the alien contract labor law, for the special purpose of protecting American labor by keeping wages at their high level. The scale of prices is consequently higher than in European countries. While a German reckons prices in marks, a Frenchman in francs, and an Englishman in shillings, the American figures in dollars; and an American very often gives out a nickel as freely as an Englishman does a halfpenny, a Frenchman a sou, or a German a five pfennig piece, although the intrinsic value of a nickel is from four to five times that of the European coins mentioned.

This largeness of conception of pecuniary values is distinctively an American characteristic. Due in great measure to the bountiful natural resources of the country, it has been augmented by the fact that many of the country's industries have never been affected by foreign conditions and have not had to compete with cheaper foreign products.

Railroad companies, gas, electric light and water companies, the building trades, newspapers, as well as the whole retail trade; professional men in general, such as lawyers, doctors, etc., etc., are all in the nature of things practically free from foreign competition; for none of the industries and occupations mentioned are compelled with respect to their finished products, their wares, or their services—to meet foreign competition. Besides, manufacturers of many products, as for instance bricks, tiles, iron girders and other building materials, rails, machinery of all kinds, rolling stock, carriages, furniture, etc., etc., are very much less subject to foreign competition, for the freight on their bulky and heavy products is so large as to be a very important item in the cost. All periodicals, moreover, are absolutely freed from foreign competition by the postage rate of one cent a pound granted to them. Books in the English language, too, in order to obtain full copyright, must be set up and printed in this country; this is not merely protection, it is an outright prohibition of foreign competition. Domestic shipping is also absolutely protected, for foreign vessels are excluded entirely from the coastwise carrying trade of the United States.

Woolen manufactures, on the other hand, do not occupy the favored position of the classes mentioned. Considering their value

in proportion to weight, freight is but an exceedingly small part of the cost of European woolen goods landed in America. In this respect woolen manufactures are at a great disadvantage compared with those above mentioned, the freight on which forms a much larger percentage of their value and thus constitutes a measure of protection, over and above that afforded by the tariff, which practically does not exist in the case of woolen manufactures.

Comparative Cost of Production.

In arriving at the comparative cost of production of woolen goods for plants of equal capacity located here and abroad, the following principal factors must be taken into account:

1. Capitalization of mill.
2. Erecting and organizing mill:
 - Building material, labor and supplies.
 - Equipment—machinery, etc.
 - Organization of plant.
3. Operating and maintaining mill:
 - Management and supervision.
 - Wages.
 - Raw material, general supplies.
 - Interest.
 - Repairs and allowance for depreciation.
4. Outlet for goods:
 - Domestic market.
 - Foreign market.

A greater capital is necessary to start a woolen mill in this country, owing to the greater items of cost, more fully explained later. This greater capital is rendered necessary not only by the greater cost of construction, equipment and organization, but also by the increased outlays for salaries and wages, raw materials and general supplies, for all of which a great deal of preliminary expense must be incurred before any returns begin to come in. This greater capital also necessarily means correspondingly more interest, and, in addition to this, the rates of interest are, as a rule, higher in the United States than in Europe.

The initial cost of erecting and equipping a mill of given capacity—for building materials, labor, machinery, etc.—is greater here than abroad, necessitating, as already stated, a greater capital. This additional cost (as I can state from my own experience) amounts to fully 55 per cent. This means that for every dollar invested in the building and equipping of a European mill, \$1.55 would be required in the establishment of the same enterprise in America. In Table I at end hereof is given in detail the comparative cost of erecting and equipping a mill in the United States and in Germany.

American and European Machinery.

To speak from my own experience, I wish to state that before coming here in 1903 I was an active member of the German firm of Forstmann and Huffmann, Werden-on-the-Ruhr, established in 1803 by the great-grandfathers of the present members of the firm, which since that time has been uninterruptedly owned and managed by members of their families. When establishing our enterprise in Passaic, N. J., we were obliged, in order to be able to compete, not only as to price but also with respect to quality and technical perfection, with the best European mills, to import most of our machinery, because a great deal of American spinning, weaving, dyeing and finishing machinery is not yet so highly developed as the European. This is especially true of the machinery used in what is known as the French system of worsted spinning, which is being adopted more and more each year. Also our entire woolen spinning machinery had to be imported to enable us to compete with the best European manufacturers.

A great part of our looms could be bought here, while others had to be imported on account of special requirements; but those purchased in this country were nearly as expensive as the imported ones, so that in buying them we had to bear our share of the protection of the textile machinery of this country. Dyeing and finishing machinery used in our mill also had mostly to be imported. In general, American manufacturers can buy domestic woolen and worsted machinery somewhat—but not very much—cheaper than imported machinery; but as the manufacture of woolen and worsted machinery, like the woolen industry itself, is younger and very much less fully developed in this country than in Europe, such domestic machinery, especially that used for the production of the finer goods, has not the same efficiency as the European and consequently proves more costly in the long run.

On all imported machinery the American woolen manufacturer has to pay a duty of 45 per cent, besides the packing, freight and forwarding charges, which in the case of such heavy articles amount to between 10 per cent and 15 per cent of the value. All this, besides emphasizing one of the important elements of additional cost to the American as against the European manufacturer, also furnishes a striking instance of how dependent the woolen manufacturing industry is upon many other important manufactures in this country.

While the woolen industry is a customer for the finished products of numerous industries—iron, lumber, bricks, machinery, oils, dyes, chemicals, paper, etc., etc.—it

has itself no such auxiliary outlet, its products going direct to the various branches of its own particular trade. This lack of other outlets explains why any disturbance of the retail market, by threatened tariff changes, for instance, proves so disastrous to domestic woolen manufacturing. It also emphasizes the injustice and unreasonableness of the suggestion to revise the woolen schedule alone, without correspondingly reducing the tariff on the products of all those allied industries which the woolen industry is compelled to draw upon for material and supplies of various kinds.

Organizing a Plant.

After a woolen mill has been built and equipped with machinery, there comes the task of getting it into smooth running order and properly organizing the work of the plant, so that it can be operated as a complete unit. In this respect also the European industry has a great advantage over the American. First there is in Europe a greater trained force available, so that the work of commencing operations can proceed more smoothly and more quickly; secondly, the first products of a new mill are usually not quite perfect, even when the most experienced help and the very best machines are used. In this way the American woolen industry, with the disadvantages mentioned and the higher values involved, is again—during the period of organization—subject to greater expenses than the European.

The cost of management and supervision of work and workmen is much greater. The salaries of all those in responsible positions, from the heads of departments to the trained foremen, are very much higher here than in Europe, the difference with respect to this class of employees being proportionately greater even than the difference shown by the comparative scale of wages in general. This is due to the fact that men with mill training and experience are more numerous in Europe and consequently do not command such high salaries. From my own experience I know that the salaries paid here for competent men are from three to four times as high as in Germany and other parts of Europe.

Higher Wages in the United States.

The average wages paid for the various occupations in American woolen and worsted mills, compared with those paid by mills of the same capacity in Germany, are in the ratio of 224.92:100, as will be seen from Table II at the end of this statement. This table shows the average of wages paid for help by six of the leading manufacturers of woolens and worsteds in the Rhine district, the Lausitz and Saxony, together with the average wages paid for the same help in similar American mills.

The excess in the rate of wages paid in America is still further accentuated by the

fact that the operative in European woolen mills has, as a rule, a better training and more experience, and consequently turns out a greater amount of more accurate work in a given time than the American operative. Many European woolen enterprises have existed for generations, and even those of more recent origin can draw their help from mills which have had such a long existence. The employers, and in very many cases their fathers and grandfathers before them, have been born and brought up in the business; and as a rule the children and grandchildren of the workpeople are also trained to the same trade.

And what is true of the firms, and the workers and their families, is also true of the communities. The older seats of the woolen industry, like Bradford and Huddersfield in England, parts of the Rhine province, the Lausitz, Silesia and Saxony in Germany, Roubaix, Tourcoing, Elbeuf and Sedan in France, to mention a few of the best known, having gathered about them for centuries a group of trained and efficient workers, possess an inestimable advantage over the centers of the woolen industry in America, the latter being, in comparison with those of Europe above named, themselves still in their childhood and their workers more or less migratory. The woolen industry is one of the oldest and was established in Europe, in its more primitive form, even before the discovery of America, while the establishment of many other industries on the two continents has been simultaneous and the growth about equal.

Greater Efficiency in European Mills.

All the factors mentioned tend towards greater efficiency in European woolen mills, increasing the output and diminishing the cost, and these factors are all the more important as they do not appear on the surface and are commonly neglected by those who have had no practical experience or knowledge of the working of such mills. They also throw an interesting sidelight on the tables of comparative wages paid here and abroad, for they show that the importance of the difference in the wage scales of the United States and foreign countries is much greater than is apparent from the mere figures.

The operatives in American woolen mills, in spite of the very much higher wages paid, are largely drawn from the ranks of unskilled labor. And whence does this unskilled labor come? There is little of it among native-born Americans. It is taken from the steady flow of immigrants into this country. A great part of this immigration will not engage in agriculture, preferring the life of the city or town; and by absorbing and educating thousands and thousands of these immigrants from year to year, the woolen mills are rendering the

greatest possible service to the country, giving employment to a great number of people at wages which enable them to live and bring up their families according to American standards, all of whom, in turn, add enormously to the purchasing power of the community and greatly increase the number of consumers of the products of other domestic industries. Another phase of this question which must not be overlooked, especially by those who have at heart the welfare of the American working class, is that any great injury to the domestic woolen industry would necessarily mean the throwing out of employment of thousands of hands, who would naturally seek occupation in other industries, causing greater competition and thus inevitably lowering the general scale of wages.

Comparative Cost of Material.

The raw material of the woolen manufacturer, wool, is dearer by the amount of specific duty per pound of greasy wool imposed for the protection of the American wool grower. In this the woolen manufacturers cheerfully acquiesce, for they have sufficient economic foresight to realize that the encouragement of American wool growing is essential to the welfare and development of the industry in general, assuring the manufacturer of a reliable source of supply, within the boundaries of his own country, of his sole raw material, and at the same time adding materially to the supply of meat products necessary for the nation's sustenance. American woolen manufacturers demand no reduction in the duty on raw material; they only ask that they shall continue to be sufficiently compensated for the increased cost of raw material to protect them from the lower price at which foreign manufacturers are able to obtain their wool. The freight on foreign wool plays no very great part, but it is at all event relatively much higher than the freight on the imported woolen fabrics.

The question is often asked why American manufacturers are so interested in maintaining the duties on raw wool. In the first place a fair application of the principles of protection demands that the American wool grower be compensated by the tariff for the numerous disadvantages under which he labors in the growing of wool, as against the farmers of Australia, for instance. In America higher wages are paid in the wool growing industry, and besides that many other important factors operate to make the cost of producing wool here greater than in Australia—most especially the fact that while Australian flocks can remain outdoors the year round and succeed in finding for themselves sufficient food, American flocks have to be sheltered and fed during a great part of our rigorous Winter.

American Wools Should Be Protected.

But besides all this—and from the manufacturer's point of view more important—is the necessity of producing within the United States as much as possible of the country's requirements in wool. The course of the last sales in Australia and London has shown that the amount of foreign wool available is not more than sufficient to supply the requirements of countries other than America, for in spite of the almost total absence of American buyers from the sales in question during the past year, prices were not only firmly maintained in foreign markets, but for some grades even went considerably higher. There is always a strong competition in international markets on the part of European buyers, and the slightest increase of activity on the part of American buyers immediately makes itself felt in an increase of prices. If the demand from America were to be still further increased, owing to a decline in American wool growing, there would inevitably be a marked rise in the price of foreign wool.

As statistics show, the world's production of wool is not keeping pace with the rapid growth of population and the even more rapidly increasing demand for wool in all countries. This discrepancy between supply and demand is all the more noticeable, because in addition to an enormously increased demand for the older products of wool, the staple is being continually put to numerous new uses, owing to the growing fondness for out-of-door life and sports. Especially in the event of a repetition of the drought which occurred in Australia in 1898 and 1899, prices would be driven to an extravagant height. For this reason American manufacturers, like the manufacturers of all countries, are especially concerned in fostering to the greatest possible extent—and so far as possible within their own country—the production of wool, so as to ensure for their machinery at all times a sufficient supply of raw material at reasonable prices.

Free Wool Would Be Unwise.

To sum up, at first glance the question of determining the duty on wool seems an extremely simple one, susceptible of easy solution. The reduction or abolition of duties on wool would certainly have the immediate effect of lowering the price of wool in the United States. But as American farmers could then not compete with the imported wool, owing to the higher wages paid by them and especially on account of the natural disadvantages under which they work as compared with the leading wool growing countries, home production would be very much endangered and diminished, and the American demand for foreign wools would be increased accordingly. As there is no inexhaustible, but only a limited, supply of wool in for-

ign markets—despite the belief which is entertained in many extremely ill-informed quarters—the price of wool in international markets would undoubtedly be raised. And as every experienced business man knows, an excess of demand over supply amounting to only 5 per cent is already sufficient to raise prices from 20 to 30 per cent.

In the long run a recovery of price in America might follow. But in the meantime the breeding of sheep and the improvement of flocks—in which direction so much advance has lately been made—would have received an enormous setback, the wool growing industry would have been seriously crippled and the farmers of the country would have suffered incalculable losses. And all this for a temporary lessening of wool prices in the United States, which would in the end result to the advantage of the foreign farmers!

In addition to all these disadvantages the Government would lose all or part of the very considerable revenue now brought in by the duties on imported wools. If the duty on raw wool should be reduced 50 per cent, as the newspapers have reported to be the intention, then, in order to bring in as much revenue as at present, enough wool would have to be imported to destroy the market for and displace nearly the entire American clip.

Increased Production of Wool Most Desirable.

This question, with all its details and far-reaching consequences, must evidently be considered in the light of all the international industrial and commercial factors which bear upon it. The rough-and-ready attempt to reduce prices by the reduction or abolition of duties on raw wool resembles rather a policy of paying dividends out of capital. The only effectual way to make wool permanently cheaper is to increase its production and to develop, to the fullest extent, all possible fields of production. The contention that the reduction or abolition of duty on foreign wool will increase competition in the American market is but a short-sighted view of the situation. It leaves entirely out of consideration the markets of the world, with the international demand and supply.

The enlarging of the American demand for foreign wool does not lessen the competition for the world's supply, but increases it; the way to really decrease wool prices is to increase American production. And American production can, and with adequate and permanent protection, removed from the realm of partisan politics, will be increased to the desired extent and the United States will be able to produce all the wool necessary for her own requirements (and with that considerably increase her meat supply)—with the exception of wool imported for special purposes, as for

instance that used in the manufacture of some of the finer, fashionable fabrics, dutiable as articles of luxury. To the extent that this result is accomplished and the American demand for foreign wool diminished, the price of wool abroad will decline, and with such decline in the world's market the price of wool in the United States will become cheaper, as the wool markets in this country have to follow the world's markets.

Not by lessening American wool production and thereby increasing American demand in the world markets, but by increasing American production and thereby decreasing American demand in the markets abroad will a general reduction of wool prices be surely brought about. This is the only simple and satisfactory solution of the question and cannot be too strongly commended to the serious contemplation of all those who, in the recent newspaper and magazine agitation against Schedule K, so loudly proclaimed their anxiety to obtain a sufficient quantity of good and cheap woollen clothing for the American people.

Other Factors in Cost of Production.

An important element in operating expenses is the cost of supplies—dyestuffs, chemicals, oil, etc., etc.—in respect to which the woollen industry is very much dependent upon dutiable imports. Under the head of supplies may also be included the parts of machinery necessary to replace those worn out. As already stated, very much textile machinery is imported and additional parts must be bought and brought over with the machinery itself, to avoid possible delay and idleness in the mill, thereby increasing the original outlays for equipment; while European mills can depend upon promptly obtaining reserve parts from the makers of machinery whenever they need them.

As for interest on borrowed money, that is nearly always higher in the United States than in Europe, a fact sufficiently attested by the amount of European finance credits used in the United States, but which cannot be taken advantage of by American textile enterprises in general.

The cost of keeping a plant in proper repair is higher here, as the life of the buildings and equipment in an American plant is no greater than in a European mill, but is, if anything, less, owing to climatic influences. A greater amount must also be written off by American mills each year for depreciation proportionate to the higher cost of construction and equipment. As this excess in cost is fully 55 per cent, the allowance for depreciation in an American mill must also be at least 55 per cent greater than in a European mill of the same capacity.

One very important reason why the American woollen manufacturer requires

protection is the fact that he is prevented from entering the open markets of the world in competition with European manufacturers by his more expensive plant, higher wages, and greater administrative and operating expenses, due to the higher basis of manufacture in this country. He must depend entirely, for an outlet for his goods, upon the home market, while the whole world is open to the European manufacturer, in addition to his usually very well protected home market. In the event of business depression in the latter, he can send his surplus wares to another market, thus avoiding demoralization of prices at home; the American has no alternative but to reduce production or close his mill entirely until business revives.

In consequence of the favorable chances of an outlet at home as well as abroad, European manufacturers have each more or less their special territory, and do not enter into such close competition with each other as do American manufacturers. If a European manufacturer has any fabric of which he makes a specialty, he is not so liable to have as keen a competition on the part of other manufacturers as in America, where manufacturers, with the exception of a few producers of specialties, are forced to compete in a great measure with the whole manufacturing force of the country catering to the same market. I may say that I am very well informed about the conditions in this and the principal European markets, and I do not hesitate to assert most positively that, despite the fairy tales we hear of a woolen trust fixing the prices for American wools, there is not a single country where competition between woolen and worsted manufacturers is so keen as it is in the United States.

Fashion an Important Factor.

In most other industries quality and price are the only determining factors in the salability of goods, but in the woolen industry fashion also plays a very important part—more important even in many cases than quality and price, as may constantly be seen from the announcements of all kinds of dealers offering their "imported goods" and "latest Paris and London styles" to their customers and the public. Fashions for men's wear are largely set by England, and those in ladies' wear are dictated by Paris, so that European mills have in this respect, by reason of their geographical position, a great advantage over American mills. As the result of greater experience, due to longer establishment and the greater adaptability of their workmen, European mills can change their styles and qualities more quickly and more satisfactorily to meet the constantly varying demands of fashion than can most of the mills in America, where a great part of the operatives are a less constant quantity, lacking the thorough training and exper-

ience of their fellow-workmen in Europe.

As changes in fashion are frequent and often far-reaching, all this constitutes a serious handicap for the American woolen manufacturer. Other industries are very much better off, being either free from fashion entirely, or at least fixing their own styles and not being bound by those abroad. In many lines it is the foreign manufacturer who must come to the United States and at great expense and with considerable trouble acquaint himself with American styles and requirements, adapting his plant to their production. In these cases the foreign manufacturer is at a disadvantage. In woolens and worsteds, just the reverse is true. This is another important factor in determining what is adequate protection, over and above the bare difference in cost of production here and abroad.

Foreign Tariffs Actually Higher Than Our Own.

The importance of fashion in the woolen industry was well recognized and taken into account by the framers of the last German tariff, who considered the duty on such fashionable products a tax on luxuries and not on necessities. Germany has free wool, because she has not the necessary ground by far to raise sufficient wool for her large woolen industry; but sheep-breeding stations are being established in the German colonies in Southwest Africa, under Government auspices, with the object of encouraging and aiding the farmers to undertake and to develop as much as possible the industry of wool growing on German territory.

And although Germany has free wool and has also a trifle lower wages than England, she has a protective tariff on woolen manufactures, designed to a large extent to protect the German woolen industry against the importation of men's wear fabrics from England and dress goods from France. The German duties are all specific, but it may be said that this duty is equivalent to a protection averaging one-third of the cost of production (comprising labor, capital and all the elements which I have heretofore mentioned as entering into such cost).

The American tariff on woolen manufactures scarcely makes up for the difference in cost of production in the United States and Europe, and although nominally higher, it is, taking into account the relative cost of production here and abroad, considerably lower than the tariffs of all the large European countries, such as Austria, France, Germany, Italy and Russia, a special feature of whose tariffs, with their systems of graduated specific duties, is that the greater the amount of work necessary in production, the greater is the amount of protection. Under such a system the heavier, coarser fabrics, representing less work in respect to spinning, weaving, dyeing,

finishing, etc., pay less than the lighter and finer fabrics, in the production of which more work is involved.

In case of the adoption of this system in America, the compensatory duties now existing would have to be maintained, while the ad valorem duties would be abolished and in their place a specific duty, varying with the amount of work represented in the cloth in question, would be levied to protect the domestic manufacturer. As this system has not only been introduced into all larger European countries, with the exception of England, but has been found to operate successfully and to give general satisfaction, the criticism cannot be made that it is impracticable. On the contrary it is a much juster method of levying duties and much more equitable in its effects than the ad valorem system now in operation in the United States.

Schedule K Not Prohibitive.

In the fiscal year ending June 30, 1909, woolen manufactures amounting to eighteen million dollars (foreign value) were imported, and for the corresponding period of 1910, twenty-three and one-half million dollars (foreign value). The landed value in America of these importations was very considerably higher. If foreign manufacturers can produce these goods, pay the present tariff on them and still make a profit, it is evident that the tariff is not too high, and that any lowering of it would unnecessarily open our market to more foreign goods, greatly facilitating their importation and correspondingly harming our home industry.

The margin by which the present duties of Schedule K enable American manufacturers to compete with those in Europe is so narrow that, were it not for the advantage of proximity to the market, the tariff on woolen goods would be inadequate to protect most American woolen manufactures against those of Europe; and even the American manufacturer's advantage of proximity to the market is being more and more reduced by the improved and cheaper means of transportation and communication—faster steamships and improved and cheaper postal and cable services—which are constantly bringing America and Europe closer and closer together. I merely mention these facts to show that American woolen manufacturers are not extravagantly protected by Schedule K.

Correct Basis for Eventual Tariff Revision.

Any tariff legislation regarding woolen manufactures should make up for all the differences in the cost of production, viz:

1. Greater capitalization and consequent higher interest charges; or conversely, lower dividends on the same amount of capital invested in America than in Europe.

2. Greater cost of erecting, equipping and organizing mill, necessitating correspondingly larger allowance for depreciation.
3. Greater cost of operating and maintaining mill, including higher salaries and wages paid in United States.
4. Greater cost of protected raw material.
5. Lack of foreign market for American manufactures, and
6. Must also take into consideration the various other disadvantages, outlined above—fashion, better trained labor, etc.—under which American manufacturers of woolen and worsted fabrics labor as compared with European manufacturers.

Starting with raw wool as a basis, the schedule on wool and woolen manufactures should be so fixed that due allowance is made for all the elements of greater cost which enter into production in the United States as compared with production abroad. The wool grower must be protected to make up for the greater cost to him of raising sheep and caring for them; the manufacturer must be compensated for the increased cost to him of the raw material and must also be protected, with respect to wages, cost of plant and operating expenses, in all the processes of manufacture—sorting, washing, carding and combing the wool, spinning the yarn, weaving, dyeing and finishing the cloth, and so on. Due allowance should also be made for the more intricate processes and more experienced and careful work involved in the production of the finer fabrics.

What Is Adequate Protection?

In deciding what is adequate protection, it must be borne in mind that it is absolutely impossible to fix, for the purpose of determining the amount of duty to be levied, the exact point of equilibrium between the cost of production here and abroad, and that besides this a vast number of additional circumstances, already touched upon, must be taken into account. As the cost of production varies greatly in European mills, even in those situated in the vicinity of each other, a tariff based on prices and conditions prevailing in one place would not be enough to protect the American woolen industry against the products of another place; where the scale of values is altogether different. All the more is this true of mills in different countries of Europe.

American labor and capital must be sufficiently protected, and as I have tried to explain, the present tariff is no more than sufficient and its underlying principles should be maintained. And once the danger of excessive foreign competition and

the possibility of any mistaken change which would impair the effectiveness of the present tariff is removed, the natural business rivalry of home manufactures will surely develop more and more freely and ensure the continuance of adequate and normal prices. While trusts exist in other industries, there is not now and never has been a monopoly in the woolen industry. Nor can the reproach be brought against the woolen industry, as it has been brought against others, that its products are sold cheaper in foreign market than at home, because the American woolen industry has no foreign trade. The individual industries should be considered separately on their merits.

A National American System of Protection.

I am sure everybody may be justified in assuming that the members of the leading political parties have equally at heart the general welfare of the country. The weakness of American politics, however, is the fact that the Republican party, as a party, is for a protective tariff; while the Democratic party, as such, favors a tariff for revenue only. But the manufacturers of America do not weave one fabric for the Republican and another for the Democrat; they weave a national American cloth for all, and demand for that a national American system of protection.

Those who think to serve the country best by a reduction of the duty forget that they would thereby hurt the home production and make the American consumer more dependent on foreign countries. The advocates of this policy also forget that in this way the national wealth would be decreased by many millions of dollars annually, aside from the loss of employment to thousands of workpeople, who in their turn are consumers for many other industries. They also do not reflect that, after the immediate force of the reduction of duties had been exhausted in the harming and restricting of the American woolen industry, the inevitable consequence would be to increase the prices for wool and woolen fabrics in international markets, on account of the greater demand for such articles from America due to diminished home production.

The policy of the other party is to protect the production of American wool and woolen manufactures—which are inseparably connected—in order that these industries may be more and more strengthened and thereby become more productive from year to year, ensuring for coming generations an adequate supply of wool and woolen clothing and mutton, while adding at the same time greatly to the national wealth, instead of paying the large amounts involved to foreign countries and being dependent upon the latter for our food and clothing.

Attacks on Schedule K Not Justified by the Facts.

The above facts and absolutely reliable figures (given in Tables I and II at end hereof) regarding the cost of production here and in Europe, which are based on the actual present wage lists of six of the leading German firms and on those of similar American firms engaged in woolen and worsted manufacturing, and on present estimates of leading contractors in both countries, are submitted for the purpose of demonstrating with what obstacles the woolen industry has to contend and how absolutely unfounded are the attacks on Schedule K. It is to be hoped that they may help to present in a clear light the question of the comparative cost of woolen manufacturing here and abroad—a question regarding which many men have allowed themselves to be misled by the conception of the matter hitherto presented in a certain portion of the public press. The extent to which certain magazine writers have gone in stirring up discontent among the general public regarding the woolen industry is almost beyond comprehension. Not wishing to doubt their sincerity, I can only assume that in thus misleading and poisoning the minds of a great part of the general public, they have been absolutely ignorant of the subject and have failed to realize the magnitude of the injury done by them to the business of the country.

Tariff for Revenue and Protective Tariff.

In a statement published in the "New York Evening Post" of March 27, 1911, Mr. Underwood, Chairman of the Ways and Means Committee, said, among other things:

In 1860 the importation of woolen manufactures, exclusive of duplications, amounted to 58 per cent; in 1890 to 20.9 per cent, and in 1905 it had fallen to the small figure of 4.4 per cent. During the hearings (on the Payne Bill) several gentlemen appeared before us, who testified that they had been engaged in the manufacture of woolen goods for 30 or 40 years. I asked these witnesses if they could recall the time when they first engaged in the manufacture of woolen goods and they said they could. I asked them if the industry prospered at that time, and they said it did; and I asked if it was seemingly as prosperous then as now, and they said it was; and yet at that time there was all the way from 20 to 30 per cent of importations, and, under the Dingley Bill, it had been reduced to 4.4 per cent.

In the first place I can state, from my personal knowledge, that conditions in the woolen industry in 1890, either in Europe or in America, cannot be satisfactorily com-

(Continued on page thirty).

The National Wool Grower

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Organized 1864

President, Frank R. Gooding - Gooding, Idaho
Western Vice-Pres., George Austin, -
Salt Lake City, Utah

Eastern Vice-Pres., A. J. Knollin - Chicago, Ill.
Treasurer, Frank D. Miracle - Helena, Mont.
Secretary, S. W. McClure - Gooding, Idaho

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REDUCTION IN GRAZING FEES.

Through the efforts of the National Wool Growers Association the Forest Service has made reductions in the grazing fees charged for sheep on the forests amounting to \$50,000 per year. On many of the reserves these reductions amount to more than 1 cent per head. About five months ago President Gooding and a Committee representing the National visited the office of the National Forest Service in Washington and asked for a general reduction of all grazing fees, and after thoroughly investigating the matter the Forest Service has now made the reductions. These reductions will be highly appreciated by the wool growers, for they come at a time when every penny counts.

Here we have saved \$50,000 to our wool growers, and yet the total that they have paid in dues for any one year does not amount to one-fourth of this sum.

SEND IN YOUR DUES.

On January 1st the dues of every member of the National Wool Growers Association were due and it is hoped that each member will forward his share without delay. To owners of 200 sheep or over the dues are \$5.00 per year, and to owners of less than 200 sheep the dues are but \$1.00 per year. Every grower can afford to pay these dues and we hope that all will forward their amount at once and help bear their share of the burden resting upon the association at this time.

We have, as you appreciate, the most expensive year before us in the history of the association. We have more work outlined for the year than has ever been undertaken by any similar organization.

All are satisfied that the tariff on wool ought to be revised at this session of Congress. But in order that this revision shall be fair to our industry and to the people of the nation it is necessary that this association send a strong Committee of wool growers to Washington to remain

there until the issue is definitely settled. Don't forget, Mr. Wool Grower, that the Tariff Board shows that wool is produced in Australia at positively no cost whatever; in other words, the entire wool clip of Australia, our greatest competitor, is profit. This should indicate to us that now is the time to demand honest protection for the wool industry.

Investigation has shown that the minimum weights maintained by the railroads on lamb shipments are about 5,000 pounds higher than the loading capacity of the cars. In other words, the average car of lambs weighs about 18,000 pounds, but you pay for 23,000 pounds. We are asking that this evil be corrected and shall insist that the minimum weight be placed at a reasonable point.

The grazing fees at feeding points along the railroads are higher than can be justified and the present condition of our industry justifies us in demanding a considerable reduction in these rates.

Many of our wools are prepared for market in such poor form that our growers are not receiving their full value. We have outlined a campaign of education along this line and we hope to obtain a material improvement in the preparation of our wools for market.

Mutton is to-day the cheapest meat food on the American market. This is not so in any foreign countries because the people of those countries have been educated to the desirability of mutton as a food. This association is going to conduct a broad educational campaign in order to increase the use of mutton on the tables of the American people.

We are asking for the passage of a minimum speed law in order that stock trains may not be unnecessarily delayed en route, entailing heavy shrinkage in the values of our sheep.

It is estimated that the live stock industry of the country is losing \$15,000,000 each year through the depredations of wild animals. We are asking for a Federal bounty law that will help the States in eradicating these plagues.

These are only a part of the problems presenting themselves to this association for solution. No successful campaign can be conducted without the help of all the wool growers and it is the duty of all to help. A few cannot bear the burdens, neither have they the influence that the many would have. Send in your dues and get us one new member for the National Wool Growers Association and we can assure you that your industry will be protected and brought to a higher standard of perfection.

DEMOCRACY.

A few years ago the Democratic party, led by that peerless leader, Mr. Bryan, made the most spectacular campaign in the history of American politics, for the remonetization of silver, or, as he argued, to bring about a material advance in the price of every article of commerce. Mr. Bryan argued to the farmer that the remonetization of silver would double the price of his wheat, beef, and every other farm product. He told the laboring man it would increase his wages, he told the storekeeper it would increase the value of his wares, in fact, that every commodity would be increased in price by the adoption of his free silver theory.

Only twelve short years have passed since Mr. Bryan was weeping over low prices, but in this short time prices have advanced, not however, as much by 50 per cent as Mr. Bryan promised as the result of the remonetization of silver.

One who recalls the Bryan argument of '96 would certainly expect that the present high prices would bring the greatest cheer to the hearts of Democracy. But lo and behold, such is not the case! Mr. Bryan and his party now sorrowfully weep before the nation because prices are high. They go before the American people and promise a material reduction in prices if they will only now adopt the Democratic theory of free trade.

Twelve years ago Bryan told the farmer that his wheat should be doubled in price and offered him free silver as a means of bringing this about. Since then wheat has advanced in price and Mr. Bryan now advocates a removal of the tariff from wheat in order to reduce the price.

In '96 Mr. Bryan told the wool grower that the price of wool should be advanced and assured him that free silver would bring such an advance; now we find him demanding that wool be put on the free list in order that prices be reduced.

Consistency, thou art a jewel, but thou hast never spread thy protecting wings over a single theory advanced by Mr. Bryan or his party.

CO-OPERATION.

The wool growers of this country must soon learn to patronize their own industry or else they can expect little relief from the present depressing conditions that surround the sheep business. We have too long been willing that the middle-man should step in between the producer and the consumer, and take as his share a profit much greater than that received by the actual producer. The producer to-day, so far as sheep are concerned, is placing his products on the market at a loss. The middle-man, however, is reveling in peace and plenty, and the consumer is paying more than ever before.

Last Spring I visited a meat market in Philadelphia and saw a dressed lamb, weighing thirty pounds, hanging upon a hook. I asked the butcher how much profit he made on this lamb and he answered \$2.15 and that he sold six of them every Monday morning. There you have it, a profit of 7 1-6 cents per pound for handling a thirty-pound lamb carcass. I would venture the assertion that the man who raised this lamb did so at a loss and that for the entire carcass did not receive much more than \$2.15, yet he is the man who performed all the labor, made all the investment and took all the risk. Still, he made no money. Why? Simply because he did not sell direct to the consumer. The consumer paid enough for this lamb in order to give the actual producer a fair profit and the consumer intended that the producer should have a profit, but the middle man got off with the lion's share.

Now, the wool growers of Minnesota, under the leadership of Magnus Brown, have established a co-operative woolen mill, where they send their own wool, make it into blankets and sell these blankets direct to the consumer. By doing this they have been able to get more for their wool and at the same time get a better blanket into the hands of the consumer for but little more than half what an inferior blanket would have cost if bought from the store. This is the solution of our problem. When we learn to market our own product there will be less people talking about the tariff and less consumers dissatisfied with what they are paying.

Of course co-operative enterprises are hard to establish. But why? Because the producer does not patronize his own industry. Just imagine, if you will, that if the wool growers of this country would buy their own blankets direct from this co-operative mill, what an immense demand it would create for wool and how materially the price of wool would be advanced. By doing so you would get a better blanket at less cost and at the same time increase the price of your own product. This would

solve the problem, but will the wool grower buy his own product? Not yet, but some day, and may we hope that day is not far distant. The sooner it comes the better for all concerned.

NATIONAL BOUNTY LAW NEEDED.

A most careful estimate shows that there is annually destroyed in the United States fifteen million dollars worth of domestic animals by the depredations of predatory wild animals. This is an immense tribute for the American people to pay to these worthless "varmints."

For many years Western States have struggled bravely to solve this predatory animal problem, but it has always been apparent to these States that their efforts could not be entirely successful until the Federal Government gave them assistance.

At the present time our Government is retarding rather than assisting in this great work. The State-owned lands are largely disposed of and in the hands of settlers. These settlers are doing what they can to exterminate predatory animals. But in all of these Western States our Federal Government has withdrawn millions and millions of acres of land that is not open to settlement. These lands to-day constitute 90 per cent of the breeding grounds of predatory animals, and as they are not open to settlement, they will continue to be their breeding grounds for many years to come.

What is the use of our settler destroying coyotes, wolves and wild cats, upon his farm, if within a few miles of him the Government maintains an immense reserve as a breeding ground for such animals. Under these circumstances it would seem to be a matter of common decency for our Government to enact a liberal bounty law and do their share to stop this immense loss of food producing animals. Of course, the National Forests now maintain a few hunters for the destruction of these pests, but this department has neither the funds nor men with which to pursue a vigorous campaign that in the end might bring permanent relief.

If our Government is really desirous of seeing the West develop and its land disposed of to the best advantage they can contribute to this end by the enactment of a Federal bounty law at this session of Congress.

ADVANCING WOOL PRICES.

The London market is reported to be unusually strong, in fact, prices have advanced from 5 to 15 per cent. Under these circumstances, there can hardly fail to be a material advance in the price of American wools.

There is almost a scarcity of wool in this country, comparatively speaking. Imports

for the last year were just about one-third of what they normally are. At the present time imports are very light, for the merchant cannot afford to import wool, so long as domestic wools remain at present prices. Even if our wools advanced 3 or 4 cents per pound they would still be cheaper than imported wools.

Of course, all the mills are not running, but enough are in operation to consume all the domestic clip at prices much better than those quoted at present. These circumstances would seem to indicate that the man who holds his wool will be well repaid in the near future. Certain it is that if the growers do not sell the manufacturers will be forced to raise the price, in order to get any wool at all.

HIGH PRICES.

The one thought now paramount in the minds of the American people is that they are being robbed through high prices now charged for the necessities and luxuries of life. The one cause for which every man seeks is the cause of these high prices. So far it has been fashionable and profitable for many of our politicians to attribute every advance in cost to the protective tariff.

No one denies that prices have advanced, but no thinking man will attribute this advance to any one cause to the exclusion of all others.

We have enjoyed during the past few years an era of unprecedented prosperity, an era when every man had labor, at good wages and reasonable hours. A review of prices indicates clearly that prosperity has always been attended by advance in prices; and depression by decline in prices. This has not only been true in the United States but in every nation in the world. The article that is a luxury during hard times becomes a positive necessity with the return of prosperity. The ability of people to pay increases; the cost of distribution materially advances. Prosperity itself means advanced prices.

Another cause of high prices has been the industrial combinations, but this has probably not been the main cause. Some of our great corporations have practiced extortion upon the people and the majority of all corporations have advanced prices through their efforts to pay dividends upon watered stocks. But it must also be true that the economy of administration in larger corporations has cheapened the cost of production and where combination did not control the commodity this reduction has been given to the people.

Another cause of high prices is the little trust maintained by the business men in almost every community in the country. In the aggregate the little trusts have

probably had a greater influence on prices than have the large trusts.

The railroads have been an important factor in advancing prices, especially in the West, through their inability to handle the increasing traffic of the country and through their strenuous efforts of trying to build up one community at the expense of another.

Our expensive distributing system, a result of prosperity, has been a great factor in advancing prices. Every retail establishment in the country is to-day operated on a more extensive scale than ever before in our history. Even the spool of thread costing but a nickel is now delivered at the request and expense of the consumer to the outlying borders of every incorporated city. The consumer has ceased to purchase with discrimination and demands immediate and expensive delivery of his purchase. The system of cash exchange has been traded for one of credit, entailing loss from bad debts and interest charges upon those who have ability to pay.

The enormous increase in middle men have added to the rent, the interest and the salary accounts, all of which must be paid by the consumer. Where twenty years ago the consumer paid the cost of maintaining one store they are to-day paying the cost of maintaining seven. The immense investments in advertising, amounting to hundreds of millions of dollars annually has added its burden to the retail prices.

One of the potent factors in the advance of prices has been the material increase in our gold supply. The quantitative theory of money is right, and an increase in the supply of gold means a decrease in its purchasing power. The laws controlling money are the laws of supply and demand. The world is now producing annually nearly five hundred million dollars of gold, almost double the production of a few years ago.

The maintenance of exorbitant express rates, thereby depriving the people of access to the lowest markets has done its share.

The phenomenal increase in expense of administering municipal, State and Federal government has added its burden upon the people, and it has been no small one.

It is utterly ridiculous for any one to attempt to attribute high prices to our tariff system, for its influence has been modest indeed. England, the great free trade nation of the world, is suffering far more from advancing prices than we. France, Germany, Italy, Holland—in fact the civilized world without regard to its tariff system has been rent and torn by the demands of the consumer for lower prices. The advancing prices has been a world-wide movement and its greatest evils have not been felt in our nation.

In our own country the most striking advance in prices have occurred in those articles upon which no tariff is levied. Hides, the material from which shoes and leather are made, were placed upon the free list three years ago, yet leather and shoes are higher than ever before in our history and are still advancing in price in spite of the removal of the tariff. Coffee, upon which no tariff has been collected for many years has advanced more than 100 per cent in price. Crude rubber, now upon the free list, has advanced 500 per cent in the last few years. Crude drugs, most of which are on the free list, have advanced as rapidly almost as rubber.

Go through our free list, and it is enormous, and 90 per cent of the articles there found have advanced in price during the past few years in the same relative proportion as articles on the protected list. But on the other hand take wool, an article on which the country has been led to believe there is a heavy duty, which during the past two years has decreased in price from 20 to 30 per cent. At the same time, clothes which are made of wool have materially advanced in price at retail.

An examination of the prices of free and protected articles must convince one with an open mind that there is no relation between prices and tariff.

The first great cause of high prices is our distributive system; the next cause an increase in our gold supply, and the next the evil influence of combinations.

LEW SHANK, THE CONSUMER'S DELIVERER.

Lew Shank—everybody calls him "Lew"—Mayor of Indianapolis, has found the solution of the problem how to reduce the cost of living. He has actually demonstrated that high prices are due not so much to the increase of urban in comparison with rural population, not so much to short crops as to the middleman, who uses his position to beat down the price paid the producer and to raise the price paid by the consumer that his rake-off may be larger. Regarded at first as a demagogue, Shank enlisted the support of the conservative element of Indianapolis by frankly confessing his inability to run the city without their aid and he has now so completely won the support of all elements by his practical success in reducing the cost of living that he is talked of as a future Governor.

Receiving many complaints of the high prices of provisions in the city market, the Mayor investigated and learned the tricks by which the middlemen "gouged" both producer and consumer. The market was rented to the middlemen and a city ordinance prevented selling on the curb without a license. The Mayor virtually abrogated

this ordinance and prices began to tumble. Corn dropped from 20 cents a dozen to 8 to 10 cents, other produce sold by the farmer dropped in proportion and only things the farmer did not sell, or of which their supply became exhausted, remained high. As Fall came on and the farmers' supply became exhausted, prices soared again.

Then Shank went further afield and bought a carload of Michigan potatoes. The price had been \$1.60 a bushel, but he cut it to 75 cents and sold his carload in three hours to people who went away with full baskets, blessing Lew Shank. He brought in carload after carload and sold none higher than 85 cents. By his competition he forced down the market price for the best Eastern potatoes to 90 cents to \$1.

By keeping the market open to the farmers through the Fall the Mayor brought down the price of all hog products and of fruit, but he did not interfere again as a dealer until just before Thanksgiving. Then he ran a three days' sale of turkeys, geese, ducks, chickens and country butter, and "knocked prices galley west," as dealers expressed it, sending them down 8 to 10 cents a pound. He followed this up by selling a carload of English walnuts, hundreds of pounds of mincemeat and hundreds of Christmas trees at about half price.

The result has been a fall in prices all along the line. Even the commission men hold no grudge against him, for they admit that prices were too high and that they now sell more and make better profits.

The people have taken into their own hands the work begun by their Mayor. Housewives to the number of 900 have combined to buy their supplies by competitive bids for one year from the firm offering the lowest price. Post Office and railroad employes have combined in the same manner, and one such organization is buying hams, bacon and other cured meats at 5 cents less than the retail price. The Mayor is flooded with inquiries from officials of other cities and has been compelled to employ extra help to answer them. He is preparing to continue his campaign through the Spring and to buy vegetables by wholesale in the South.

Shank has proved that the remedy for high prices is in the people's own hands and he has shown them how to apply it. The remedy for a producers' or middlemen's trust is a consumers' trust, for if the consumers only hang together they can quickly bring the producers' trust to terms. Work can be found for some of the displaced middlemen in managing co-operative associations of consumers and the rest of them can join the back-to-the-farm movement. They will be better occupied as producers than as parasites on the community and their health and morals will be improved.—Portland Oregonian.

WOOL MANUFACTURE IN EUROPE AND AMERICA.

(Continued from page twenty-six).

pared with those of to-day, owing to enormous changes in population and consumption on the one hand and in production and business competition on the other. Since the time mentioned production and consequently competition have been enormously increased (see Table III at end, giving production of woollens and worsteds according to Census Reports of 1890, 1900, 1905 and 1910). In consequence prices and profits have been very much lowered. As I can further state from exact personal knowledge, the profits on woolen goods sold in the American market by European manufacturers about 1890 before the passing of the McKinley Bill were so high that many of the latter neglected their home market and devoted themselves almost exclusively to the American trade. If things have changed since then, it must be ascribed to the workings of a sound and reasonable protective tariff. The figures given by Mr. Underwood as to the reduction of imports under the wool schedules of recent years give the best proof of the correctness of the protective duties, which have so favorably developed and extended the woolen industry in the United States. Any advocate of protection would be willing to rest his case on them.

Mr. Underwood further says:

If the woolen manufacturing business could prosper when 20 per cent of importations were coming into this country, and they testified that it did, why cannot they prosper to-day with a fairly competitive tariff, instead of a practically prohibitive one?

This means, of course, that American manufacturers could, in his opinion, lower their prices to compete with imports under a reduced tariff and yet make a reasonable profit. And on this assumption, Mr. Underwood bases his proposal for a reduction of the duties on woolen manufactures. If American manufactures prospered in 1890, when importations equaled 20 per cent of the home production, the natural conclusion is that American production of woolen and worsted goods at that time fell short, by 20 per cent, of supplying the home market. To-day the home production supplies 95 per cent of the country's requirements, leaving only 5 per cent on the basis of the low foreign value to be imported. Any increase of imports, therefore, could only take place at the cost of curtailing American manufacture.

Revenue at Cost of American Production.

Continuing, Mr. Underwood says:

The Government is in need of revenue, and the woolen manufacturers

and their representatives here are not willing to contribute their fair portion of this taxation to the Treasury that they exact from the people by a prohibitive tariff.

Mr. Underwood wants to obtain more revenue from the imports of woolen manufactures, and accordingly wishes to reduce the duties with the object of increasing the imports of woolen goods. As there is not the least likelihood of the demand for these goods increasing sufficiently to make up for an eventual increase of imports, the carrying out of Mr. Underwood's plans could only be accomplished at the expense of American woolen manufacturers, who, in the event of greater imports, would have correspondingly to curtail their production.

If imports increased 10 per cent, the market for the output of American mills would have to be diminished that much, unless the latter, which, according to Mr. Underwood's own figures, now supply 95 per cent of the country's requirements, in order to keep their plants and their work-people fully employed, could lower the prices of their goods to meet the foreign competition. And in the latter event there would be no increase of imports, while the revenue, at the lower rates of duty, would be less. Every experienced business man, moreover, knows what is the effect of such competition for a disputed market. It is not stimulating, but demoralizing in its results, and the offering of a surplus production of, say, 10 per cent would have far more serious effects on the home market than the mere figures indicate.

To follow out Mr. Underwood's idea, duties would again have to be lowered in an attempt to accomplish the desired end (the raising of revenues from duties on woolen manufactures). As long as American manufacturers were willing and financially able to stay in the field and maintain their mills at their present capacity, no appreciable increase could take place in European imports, while the duties being continually decreased, the revenue therefrom would become steadily smaller.

We need not follow Mr. Underwood's plan to its logical conclusion, which would eventually mean the destruction of American woolen manufacturing, by continued reduction of duties, ruining at first those elements of the industry which are economically the weakest and therefore most dependent upon and most deserving of national tariff protection.

American Market Intensely Competitive.

Assuming that I have shown that the realization of Mr. Underwood's plan would not accomplish, at one and the same time—except by the eventual paralyzing of the home industry—what are admittedly his chief aims, namely the reduction of prices of American woolen goods and the increase

of revenue from duties on woolen manufactures, I wish to point out the fallacy of his other contention—the need of greater foreign competition in the American market for the regulation of prices of woolen and worsted fabrics.

Without going into complicated figures, but simply accepting Mr. Underwood's statement as to the comparatively small amount of importations of woolen manufactures under the present tariff, I should like to ask if Mr. Underwood realizes what these figures plainly prove to the advantage of the American manufacturer? The European manufacturer does not alone consider the duty he has to pay on his goods when they arrive in this country; he also considers the price at which he can sell them, in order to see whether he can pay the duty and still make a profit. And the fact that goods are imported to the extent mentioned shows that the present tariff gauges pretty closely the difference in cost of production here and abroad, with enough margin in favor of the European manufacturer to enable him to sell a certain amount of his products in this market.

As long as this is the case, the tariff is not "prohibitive" and does not "enable them (the woolen manufacturers) to increase their profits and avoid competition." For it is evident that any raising of the prices on the part of the American manufacturers would at once make possible an increase in the volume of imports. This proves the correctness of what has been the main contention of advocates of protection for years, namely, that the proper conservation of the home market for domestic industries does not tend to raise, but rather to lower prices. The American woolen industry is to-day so well developed and comprises so many independent enterprises in all parts of the country that, as I have previously mentioned in this statement, the greatest competition exists and this is entirely sufficient to prevent any possibility of a combination to raise prices. A greater foreign competition for the purpose of regulating prices of woollens in America is therefore absolutely unnecessary. And as for the profits of American woolen and worsted mills, I may state that the profits in general are not higher, but rather lower than those of similar European enterprises. Also in this respect I claim to be very well informed from exact personal knowledge.

Schedule K Great Revenue Producer.

The following statement is also made by Mr. Underwood:

The real justification for a tariff can be only for the purpose of raising revenue to support the Government.

Admitting this, for the sake of argument (Continued on page forty-four).

*Delivered Before National Wool
Growers Convention, Omaha*

Economic Distribution

By Hon. P. G. Johnston

Mr. President, and Ladies and Gentlemen of the National Wool Growers Association:

I AM requested to address you on the subject of economic distribution of the products of our industry. The subject is one that under the present unorganized condition surrounding the sheep business it would be a waste of breath to talk about and one which when thought of carefully exemplifies the necessity of an intelligent and up-to-date form of united organization among the Wool Growers, and in fact the entire live stock producers of the United States. I can not think of any business or any set of men engaged in the production of the necessities of life that are in such a wretched state of uncertainty, with regard to what they may receive for that which they offer for sale, products which are necessary and staple. This state of affairs, coupled with the fact that our industry has been for the past two years a political foot ball and a fruitful subject for the magazine writer and agitator, has been largely responsible in bringing this otherwise very necessary business to the brink of disaster. Speaking of the uncertain market conditions, take for example the present methods of marketing mutton, and for that matter all the meats consumed by the American people. We exercise no discretion as to when we market. We violate the law of supply and demand and do so to our own detriment. Every one who can get on the market Monday morning does so, regardless of the fact that it may be over-crowded. One week the market for fat lambs may be 7 cents per pound, and the next week, because of over-crowding the market, the top price may be 5 cents. It is rather a pertinent question, but who gets the benefit of the 2 cents decline? Is the 7-cent meat sold by the packer to the consumer at a loss? Is the 5-cent meat sold at the same price as the 7-cent meat? Does the benefit from these rapid declines in the live stock market, which is to an extent caused by the growers themselves, go to the consumer? I assert it does not. Now then, except it can be proven that the meat distributors give at least a part of the decline to the consumer it is only fair that the producer look about for a means to save it for himself. No one will dispute that he is entitled to it. In other words, "the laborer

is worthy of his hire," and it is against the spirit of American economy to concede that the middleman is entitled to this shrink in value, which many claim the said middleman is a party in causing. Well, is the middle man a party in causing this shrink in value? I will leave you to answer that for yourself. The answer will be measured by your own experience, but I make the statement that the grower himself is a party to it. If the middle man



HON. P. G. JOHNSTON,
Blackfoot, Idaho.

does take advantage of an unreasonably heavy supply, which the shipper brings about by his collectively violating the law of supply and demand, is he so much to blame? Is he not rather only giving evidence of the fact that he is a mortal being, and from Chicago? Of course, he could not hail from South Omaha. But is he not doing about what the rest of us would do under the same circumstances, if we were in his place? I never expect to meet an angel in Chicago, or even Kansas City, but you can't tell what will happen in South Omaha. I said that the packer was human. There is also evidence of his being humane in the fact that on a real slow market he kills the sheep before skinning them, but this is balanced by the fact that he skins the grower alive.

In this question of regulation and distribution, some of us have overlooked some valuable lessons that we have received in the past. Those of us who had to do with the Forest Service during the reign of Gifford Pinchot remember how he told us how many sheep to run, how to graze them and when to put them there and when to take them away, and doubtless if he had not been discharged, he could have told us when to ship them. In fact, about all that was left for a grower to look after under Pinchot's systematic form of regulation was shipping the sheep and borrowing the money at the bank to pay the Forest Reserve fees. The "divide up" rules that he applied to us, (of course he excluded himself) show him worthy of the first prize as the most eminent socialist that our country has yet produced.

Well, the question is asked, "How can this regulation be brought about?" The answer is, by an intelligent co-operation amongst the growers with the railroads and commission merchants. Let the grower order only the amount of cars that he knows he can use. Much abuse has resulted in the indiscriminate ordering of live stock cars. It should be stopped, in order to silence a just complaint the railroads have against the live stock shipper as a whole. Take for example the State of Idaho. The cars ordered amounted to 8,500 and those really used 5,200. It is impossible for any railroad to obtain any degree of certainty as to the amount of such business it may do when such conditions as these prevail.

Orders were cancelled without a day's notice, and then again the grower went out to his flocks without even taking the trouble of letting the railroad know that he was not going to ship, either on the date of his order or at any subsequent time. Such practices are unfair. I have, for years, advocated a Railway Reciprocal Demurrage Statute, which would protect the railroad and the shipper, and it seems the only fair way to adjust the matter.

Now, returning to the subject of giving the market an even supply, it only takes a day or two one way or the other to so arrange shipments that this may be done. The objection is raised that the growers can not be sufficiently united to accomplish this. The answer is, that if it is true, it is no great tribute to their intelli-

gence or business judgment. Other producers do it, the packer does it. Take the California orange grower as an illustration. This product is not thrown indiscriminately on the market, but with a measure of regulation that insures to him a fair price and a reasonable profit, and to the consumer a well cared for article of food that costs him no more than before the introduction of these regulative measures.

Now, is the California orange grower more intelligent than the American stock grower? Under this system the orange lands of California have advanced from \$300 to \$1,000 per acre and are paying a better dividend under organized conditions than they did before. We can regulate our business, and do so without any injustice to the interests of the ultimate consumer. I believe the railroads would appreciate a successful effort on this matter to the extent that much better service would be granted. If the railroad knew that this business would be furnished them with some degree of accuracy and regularity, it would be an inducement to them to guarantee good runs, say not less than eighteen miles per hour. Why not try them? We could judge better after we did something ourselves in this matter. Some will say that because of the number to be marketed in so short a time that such an effort would prove unsuccessful. Admitting, for the sake of argument, that this objection is well taken. Why not keep some of our feeding lambs at home and feed them there? Take our State of Idaho—there are tens of thousands of tons of the finest quality of alfalfa that is now begging for a market in the Twin Falls country at \$4 per ton or less, and there is also the very best of grain, such as wheat, oats and barley, seeking a market at very reasonable prices. Idaho could feed several hundred thousand lambs and thus relieve the situation, provided the objection stated is true. There is a profit in the operation, without doubt, and the benefits would be manifold and far reaching, such as employment of labor; a market at home; and above all the enrichment of the soil by giving to it that which it has so generously given to us. Many other means could be pointed out to relieve this situation, but time will not permit.

You will say, "What is the remedy for the present conditions?" and the answer is "Intelligent regulation of the shipment." It may be said that an attempt at such regulation would be a violation of the law against restraint of trade. It clearly would not, but would be rather in keeping with the effort of the Government to regulate just such matters. What could there be wrong about a system that would distribute the meat to be killed in the various markets with some measure of regularity; not 60,000 Monday, 40,000 Tuesday and

20,000 Wednesday and very few the balance of the week, but more evenly distributed. The packer has to have his crew to kill the stuff and if he has to buy more Monday than he wants it is but natural that he will make the grower pay the feed bill and stand the shrink until he is ready for the product, which has been thus unwisely thrust upon him. This is the case, too, with the commission men and the stock yards companies, each must have their respective crew to do the business necessary and if they only work part of the time they must be paid in full, regular time, and it stands to reason that the grower must pay the bill.

National Wool Warehouse.

Speaking of the National Wool Warehouse from an economic standpoint, let me say that it was organized in order that the wool grower might have a direct avenue through which to market his wool. Many complaints were entered up against the present prevailing system. Chief amongst these objections were that the plan of buying wool before it was grown was unfair, in that it did not offer proper encouragement to the grower desiring to better his condition by the production of first class wool. Contracts were made for the wool when it was not in existence; thus many times the inferior clips were sold at the same price as the good ones, and further, no matter how indifferently it was put up for market it was received. Now, under such conditions, the well grown wool, honestly packed, received no more than though it were poorly grown and full of trash. The London wool market, where all wools are sold strictly on their own merits, is the best system in the world and appeals to the American wool grower. The system of speculation by the middle-man had a disadvantage for the manufacturer, in that upon a rise in the market he had to pay a strong price and on a decline in the market many commission wools were thrown at his head regardless of price. The proper instructions were not given the American wool grower by the speculator in regard to putting his wool up suitable for immediate use by the manufacturer. Such instructions, if carried out, would permit the manufacturer to dispense with the middle man by doing business directly with the grower. The case might be stated at length, but these are just a few of the facts. The warehouse has been established and has resulted in a marked improvement in the condition of the Western wools. The use of jute and sisal twine is being abandoned. Last year one-third of the Western wools was tied in paper twine. A very marked improvement indeed. Much of the wool was packed nicely, black wool kept separate; the tags to themselves and the results have been very gratifying to the manufacturers and growers. The ware-

house is an independent effort in the right direction and should be sustained. Now, to sum up, as citizens and producers of this great country, it becomes our duty to not only defend ourselves against the charges of extortion, but to place the blame, if blame there be, where it properly belongs. In addition to devising means that shall represent an intelligent and fair distribution of our product it behooves us to see to it that the toiling millions that consume our product are fairly treated. We are part and parcel of them. "They are bone of our bone and flesh of our flesh." The fundamental principle and corner stone of this Heaven-blessed nation is summed up in the following words:

"That we hold these truths to be self-evident, that all men are created equal and endowed by their Creator with certain inalienable rights, the enjoyment of life and liberty and the pursuit of happiness." Now, whoever shall violate this principle, be he packer, railroad owner, or Jew clothier, whoever shall by any combination obtain more than what is fair for his labor or money invested, whoever shall attempt to control unrighteously the product of the soil, the necessities of life, stands guilty of a violation of this declaration of equal rights, stands convicted of violating the spirit of American Government and every honest man, of whatever party or class, should rise up untiedly and punish such greedy criminals with their just desserts, namely a felon's stripes and cell.

Fellow Wool Growers, we should unite ourselves in proving that we are innocent of the charges made, namely, that of obtaining from the consumer that which represents to us more than a fair reward for our investment and labor. It has been said, "Thrice armed is he, whose cause is just." It was also well said by the immortal poet, Burns, "That the honest man, tho' e'er sae poor, is king of men fa' a' that." The truth of this impressed the gentle heart of our mighty Lincoln. Honesty and integrity should be the ear mark of a man. Under this American flag, which is the grandest emblem of human liberty that mortal hand has ever flung to the breeze, such a man best find his place, an uncrowned king, an honest American citizen.

There are 610,000 wool growers in the United States. If they all belonged to this association and each one paid \$.05 a year in dues we would have all the money needed to conduct our work. If each will get us one new member we will make this the greatest organization of producers that the world has ever known.

Better write your Congressman and demand that the wool duties be placed on the honest and fair scoured basis.

Wool Growing in Russia *By Consul-General John H. Snodgrass, Moscow*

The number of sheep, as shown by the latest official report, in European and Asiatic Russia, including western Siberia, is estimated at 60,000,000 head. Well authenticated trade estimates place the number at a few millions more, though the declination of flocks in the past five years through various causes has been considered.

Through the influence of the department of agriculture, the Russian Government is endeavoring to put life in this dying industry, and to excite interest in sheep culture it was decided last winter to open an exhibition in Moscow and to call a convention of wool growers at the same time and place. Interest in the subject has not been permitted to abate, and later in the season the Government's proposition will be carried to a successful issue.

Plans to Revive the Industry.

The committee on sheep raising of the department of agriculture was some time ago presented a report by interested people, showing the crisis the Russian sheep raiser is now passing through, and it was proved that the rearing of thin-fleeced sheep is an industry practically lost to European Russia. To restore this industry, which formerly supplied not only Russia, but also foreign markets, to the value of many millions of rubles, it was proposed to utilize those portions of the Siberian steppes that are unfavorable for agricultural purposes, and, with that end in view, measures are required to develop sheep breeding and to introduce fresh blood into the flocks that have been permitted to inbreed and, consequently, have grown smaller and inferior in wool production.

The department of agriculture realizes the benefits that would result to the wool grower from correct and modern methods of sheep breeding, for experience has taught that Russian crossbreeds produce wool closely resembling that grown by the crossbreeds of other countries, and the introduction of new stock would mean greater and cheaper supplies of mutton, so much required in this country.

Grazing and other conditions for the maintenance of sheep in winter are satisfactory in that part of the country, permitting the development of sheep breeding to 300,000,000 head. It is desirable that crossbreeding should be encouraged on account of the low cost of mutton and because Continental woolen manufacturers favor the fleece produced by these sheep and have constructed their mills accordingly.

Decrease in Sheep Raising.

Reports from various zemstvos, agricultural associations, and other bodies and persons interested in sheep raising show a

steady decrease in the industry and particularly that branch which at one time appeared to be advancing—fine wools. The falling off in the production of wool (and in some places the absolute disappearance of sheep) is due to the evolutionary conditions of farm life which Russia is now passing through. Large estates which formerly pastured hundreds of thousands of sheep are now being cut up into smaller tracts for the use of peasant farmers and with their passing the herds are also going, for the peasant can not afford to continue sheep raising, as he is not equipped for it, and he finds greater and more immediate profits in tilling the soil.

The high rents prevent those who are forced to secure their land from the estate owners from raising flocks, and thus they have been gradually decimated, until they have reached the minimum figures for the past fifty years. Higher wages among the peasants also is a barrier over which the sheep raiser can not step without danger of a deficit in his accounts. It is reported that frequently the income derived from the wool does not cover the cost of production.

In many sections farmers, having been unfortunate in the disposal of their fleeces, sold their flocks to the butchers, and in Ekaterinoslav and Kursk, in southern Russia, sheep are being raised now principally for killing purposes. In Poland and Tambov Provinces cattle have supplanted sheep. In many other provinces the merinos are being kept up only on the large estates, but when these are divided the fine wool flocks are disposed of and coarse wools take their place, provided it is found expedient to keep sheep.

Scarcity of Pasturage.

In the Caucasus whole flocks have been slaughtered for want of pasturage, the mountain dwellers having taken up other agricultural pursuits. Others in those regions have transferred their flocks to Siberia, where the development of the industry is said to be steady and certain on account of the vast unoccupied areas open for grazing. The outlook in that country is said to be encouraging, and Russia is depending upon Siberia for its future supply of wool and mutton.

In 1910, in the majority of the districts of the south, Novo-Russia and the Caucasus, the decrease in sheep raising was most alarming to agricultural interests, it being noted in many places that fifty per cent of the flocks were disposed of in some manner. It is prophesied that the current year will witness a falling off ten to fifty per cent in those sections. In certain parts of the Volga Valley a slight increase has been

reported. The past winter was a severe one for the farmers of the south, and many losses were sustained in the spring during the kidding season from frosts and weakness.

The wool clip of 1911 will hardly be up to the average, because of these unfavorable conditions. There will be fewer sheep to clip and the per capita yield is expected to be less, while the quality will perhaps be of a lower standard.

Types of Sheep Raised in Russia.

There are only two types of sheep in Russia, the common, coarse-wool sheep (*Ovis brachyura borealis*), and the crossbreed merino, the latter being much fewer in numbers. The coarse wool type differs in appearance in various sections of the country, but it preserves its ordinary characteristics and yields about the same quality of fleece the country over. There are varieties of colors, but the wool of all types is coarse, matted, dirty, and greasy. Some sections produce sheep with longer fleeces, but with that exception the quality does not vary. These sheep are small and yield one to nine pounds each, the average being about four pounds. In the Asiatic sections and in some parts of southern European Russia the flocks consist principally of the fat-tailed sheep.

The Merinos are the crossbreeds brought about by the introduction many years ago of the Spanish types. These flocks are comparatively small and are not increasing. The wool produced by them is much superior in texture and brings a much better price in the local markets.

The wool produced by the coarse breeds are given various names, according to the parts of the country where produced, and the great part of it is bought by manufacturers of carpets in the United States.

Exports and Prices of Wool.

The following table shows the exports, by pounds and value, of wool from Russia for 1909 and 1910:

1909		
Wool:	Pounds	Value
Ordinary	15,552,000	\$1,719,070
Greasy white,		
washed	612,000	110,210
Brook-washed .	1,152,000	131,840
Merino	2,484,000	497,065
Greasy white,		
washed	298,800	126,690
Brook-washed .	10,800	3,605
Camel's hair:		
Greasy	6,840,000	636,025
Washed	306,000	61,800
Other wool.....	1,118,000	153,470
Wool combings and		
waste	554,400	63,345
Total	28,928,000	\$3,503,120

Wool:	1910 Pounds	Value
Ordinary	9,972,000	\$1,142,270
Greasy white, washed	1,044,000	233,810
Brook-washed ..	36,000	4,120
Merino	1,008,000	182,785
Greasy white, washed	61,200	23,175
Brook-washed ..		
Camel's hair:		
Greasy	5,616,000	699,370
Washed	1,476,000	266,255
Other wool	1,260,000	119,995
Wool combings and waste	576,000	72,615
Total	21,049,200	\$2,744,395

The demand for wool the world over has appeared to increase during the past decade, and especially in Russia, where the imports have grown largely and exports have decreased. For these reasons prices have gone up, with the exception of the war period in Russia, and as the flocks are being decimated, there will be no decrease in the market prices at the present time. The prices dropped during the war with Japan to an alarming extent, in some instances 40 per cent, but immediately after the war they again resumed their normal position.

The following comparative statement shows the exports from and the imports into Russia of wool during the past five years:

Years	Exports	Imports
1910	21,049,200	82,692,000
1909	28,928,000	69,120,000
1908	14,256,000	52,884,000
1907	28,548,000	55,296,000
1906	41,004,000	42,768,000

According to the statement of a local manager of a sheep farm of 50,000 acres, the raising of low-grade sheep does not pay at the prevailing price, but on large estates the industry will continue, as it is not possible to till the land for want of satisfactory labor. The peasantry will always keep the breed that produces the coarse, strong wool for their homespun coats and house supplies, and also those whose skins can be utilized in the manufacture of overcoats, so extensively used in Russia among that class.

The merino, for fine wool, is being gradually introduced among the more progressive farmers, but its product is being utilized in the domestic market. The price for this wool is sufficient to yield a handsome profit.

To secure sufficient recompense for their labor and investments, the raisers of coarse wool sheep say they should have an increase of about 25 per cent in the prevailing prices.

The Russian and Siberian steppes have,

in recent years, been occupied by immense flocks of sheep. Here wild grasses and shrubs on which the sheep can subsist are found. Many thousands have been driven from European Russia to Siberia and Asiatic Russia, where alkali tracts exist, and in those sections the rearing of the flocks is pursued with pronounced success. The grasses grown there appear to be suitable for the flocks, and with the undulations and sufficient supply of water at all times of the year they are protected from the elements and are well nourished. No lands have been prepared especially for sheep raising, the vast tracts of wild country being taken over for grazing purposes.

In many instances, it is said, the flocks feed upon these areas for years without any rent being paid. Land in Russia is in a state of transition from Government ownership and large ancestral estates into small lots for the peasants; thus suitable tracts for sheep raising on a large scale are not as prevalent as formerly.

Wages of Employees on Sheep Farms.

Persons employed as shepherds do not receive more than 10 to 20 cents a day, the pay being given in supplies required for their homes. Frequently, whole families are engaged in looking after the flocks, in which event they are said to receive a bare living wage in farm products, no money changing hands.

The present condition of the sheep and wool industry is far from satisfactory, and it is argued by sheep raisers that, although the cost of living and labor has increased, they have not enjoyed an equal gain in the prices of their products. Demand for the fine wool undoubtedly will encourage its growth, and the farmers may return eventually to sheep raising; however, for some time no increase may be expected, and unless the Government gives material assistance in the encouragement of this industry less wool will be produced each year.—Consular and Trades Report.

WASHINGTON WOOL GROWERS ON SCOURED BASIS.

We, the Washington Wool Growers Association, petition Congress to use its utmost efforts to expeditiously and at the earliest possible moment pass a tariff bill based on the report of the Tariff Commission recommending the scoured basis, for such a bill, and we urge early action in order that the present unsettled condition of the wool market due to tariff agitation may be relieved before the time for marketing this Spring's clip.

Your bank has more money in the sheep business than you have. Please ask them to join the National and send in their dues.

IT'S A FINE SPRING LAMB.

There's a town in this State,
That is right up to date,
Where the stockman is sure of a welcome;
Where everyone knows,
That everything goes,
For twenty-four hours and then some;
Where the man from the range,
Can replenish his change,
The way to get money 's to make it.
Then hip, hip, hurrah!
For South Omaha.
If you want anything just take it.

CHORUS:

Sheep, sheep, they are the stuff,
Mutton is fine if it's not too tough.
They may be wethers or toothless ewes
That cuts no figure at all!
When the butcher gets through
With that old wether or toothless ewe,
Presto! Changeo! Hello! It's a fine Spring
lamb.

A few years ago,
Out in Idaho,
The sheepmen were lords of creation.
Wyoming was full
Of men who raised wool,
Enough for the whole bloomin' nation.
Then the prices sky high,
Took a tumble, Oh my,
There was trouble for pood Yankee Doodle;
When the banks called for tin,
Then the packers stepped in
And the roads got the rest of the boodle.

Some statesmen say
That old schedule "K"
Must be wiped from the statutes this
season;
That wool must come free
From over the sea,
Regardless of right or of reason;
But these wise old owls,
Will find other fowls,
Can tinker with tariffs as well;
And if wool must be free
Why then, don't you see,
We'll cut the whole list all to—shreds.

I think it is time
To finish this rhyme,
And let them go on with the show.
The fun is all right,
But we can't stay all night,
We've got other places to go.
When you get down to tacks,
And nothing but facts,
This market's the best in the land;
I know you're all stuck
On good "Father Buck,"
So now let us give him a "hand."

J. A. SHOEMAKER.

Send in your dues for 1912. We need
the help of all, more now than ever before.

Address Before National Wool
Growers Convention, Omaha

Sheep Feeding and Breeding

By Robert Taylor

Mr. President, Ladies and Gentlemen:

MY SUBJECT is "Sheep Feeding and Breeding." As you must first have your sheep before you can feed it, shall take up the breeding end first. The sheep industry of the United States properly divides itself into two parts, the farm and the range. At present the latter is the more important, as it naturally should be with any industry specialized in a location suited to it. But I venture the assertion that the time is coming, nay more, is not so very distant, when in numbers, value and importance, the industry on the farm will overtop that on the range. The range industry in both cattle and sheep is an evolutionary phase. First, the Indian, the antelope and the buffalo, then the cattle and the cowboy, then the shepherd with his flocks, to be all succeeded in turn by the man with the hoe, tied to the soil, the builder of homes, the architect of schools and churches, the representative of a settled civilization. Much the same process is occurring on the best portions of the range section, as Mr. Wing yesterday described as going on in the Argentine. The dry farmer comes, the sheep go—and like him I believe never to come back. Babies necessitate milk and in a good milk cow there is the potential start of a herd of cattle. Therefore the first stock in sections broke out by the plow will be cattle, and when, in the course of time, if ever, sheep again have their day, you and I will have lost interest in the subject.

In the real farming country, on high priced lands, beginning to show the effects of soil mining, as Jim Hill calls continuous grain farming, I look to see every year now a marked increase in the number of sheep kept. The farmer on these lands has the means and can afford to fence and subdivide his farm and fit it to economically carry a small bunch of sheep. And eventually the range industry will be crowded back to the roughest and most inaccessible portions of a few Western States and especially those favored sections adjacent to forest reserves, where the liberal policy of the Government has given to the wool grower for a portion of the year at least, that fixity of tenure, which is essential to the permanence of any industry that aspires to be more than a gamble.

To return to our subject—different en-

vironment calls for a type of sheep suited to it. On the range the typical sheep for profit must combine wool and mutton. On the farm wool may be regarded as a by-product—although a very valuable one—and mutton as the main source of revenue.

My personal opinion, only strengthened by forty years' experience, is that the best sheep for range purposes is a good, smooth mutton Merino. For hardiness, herding qualities, and the ability to thrive in large flocks they are unequalled. They grow the

But it takes a long time to accomplish much in animal breeding. A generation or two of continuous intelligent effort. The plant breeder has got the advantage in that regard. Not to go so far afield as the California wizard, Burbank, my friend Professor Buffum of Worland, Wyoming, has in four short years evolved and fixed the type of a wonderfully improved Winter emmer, and by crossing Winter wheat and Winter emmer, a totally new grain of great feeding qualities, which he has named ovem, as ovis, the sheep and emmer, make an excellent combination, either as a word or on the farm.

Observation and experience for a long enough period form a pretty good basis for an opinion. Fifty-eight years ago I helped tend my father's little flock of some 200 Border Leicesters, the dainty Leicester, as my friend Joe Wing aptly calls them. My brother, who succeeded him in his farms, has kept them pure all these years. They are a beautiful flock and no pains and no money has been spared to keep them up and improve them if possible. With what result? I saw them a year ago, examined them carefully, and it would take a finer technical eye than I possess to note any change. They are quite as good as I remember them fifty-eight years ago and very little if any better. But of course they carry a prepotency and a trueness to type that only years of pure breeding can give. I may add that I have spent a good many years in trying to develop the mutton qualities of the Merino, and have an abiding faith that if my boy will only take up my work when I am compelled to lay it down, in two generations, he may

succeed in getting a mutton Merino that will be profitable on either range or farm.

Now for crosses. With the Merino as a foundation stock the first cross-breeding was attempted on the range in certain cases, where from various causes, principally the injudicious selection of sires, the sheep had decreased in size or the wool become rather short in staple. Combining wool rams of the English mutton breeds were used and in every instance the first cross was a good one and proved a short cut to a larger, longer stapled sheep. Carried beyond this the trouble commenced. Uniformity was impossible. By returning to the Merino very little permanent injury was done, and as a rule very desirable and salable wool secured. Later, as the



HON. ROBERT TAYLOR,
Abbott, Nebraska.

wool that is absolutely essential for the finest clothing we wear and there is no discount on the quality of their meat. I may say that I have eaten as fine mutton chops, sweet, juicy and tender from pure bred Merino wethers, fattened on the sweet grass and herbage of the Rocky Mountains, as I ever did from the world renowned Black Faced Highland Sheep of Old Scotland or the Royal Southdowns of England. The only quality they lack is early maturity, the ability to put on weight and flesh at an early age. In other words, to feed out profitably as lambs. As yearlings, twos and threes, they feed out well. I am satisfied that the feeding qualities of the Merino can be greatly improved. As you get mutton form you get feeding quality.

ranges got fully stocked it became necessary to ship out a certain number of the increase each year. This started growers to experimenting to secure an early maturing lamb with pronounced feeding qualities. One that if not fat enough off the range to go directly to the butcher, would conform best to farm conditions, feed rapidly and give the greatest profit for the feed consumed. I believe I was one of the very first to experiment in this direction. For several years I had been using what I could find on this side for the purpose and in 1893 went over to England and made a thorough investigation of the various breeds in their native habitats. A very interesting study—as the old country breeders are very much ahead of us in fitting a type to suit its environment. The sheep are the rent payers and years of intelligent study and experiment have made them adepts in securing for each locality the sheep that is best suited and most profitable. As a boy I was familiar with the Scotch breeds of sheep, raised with the Border Leicester and Cheviot and their crosses and with a working knowledge of the Black Faced Highland Sheep.

Now I do not wish to tread on any one's corns, or try to force my individual preferences on those who favor some other breed. I am merely relating for your benefit my personal experience and convictions, when I say that I settled on the Hampshire Down, as coming nearest my specifications and filling the bill and brought over a large importation of both ewes and rams. Since that time my experiments have been practically confined to two breeds, the Leicester for a combing wool cross, the Hampshire for a feeding cross. The very best feeders I have raised have been from Hampshire rams on Leicester—Merino cross bred ewes and vice versa, Leicester rams on Hampshire cross ewes. They are the kind that top the market as feeders when finished and feed like Poland China hogs. The English people are great mutton eaters, are connoisseurs in quality and experts in cooking it, and they favor and are willing to pay more for the Down breeds of lambs and the Down cross-breeds. There is a reason for it. If you ask me, I would simply say the meat is better, shorter grained, fat and lean better mixed.

To sum up on sheep breeding, the mutton Merino for the range or never beyond a first cross of any of the long woolled breeds. For feeder lambs a strongly marked Down sheep, the blacker his face and legs, the better.

And as to feeding, there is no trick in that. If you would like to get my recipe for a Champion car of lambs, here it is: First get them rightly bred—that is 90 per cent of the game in the start. Beyond that the only essentials are clover or alfalfa hay, corn and oats, a little cotton seed or oil meal, a small modicum of brains, regularity in feeding and plenty of time—never crowd them. Faithfully followed, results may be almost guaranteed. You will get the honor, but whether our dear friend, the packer, will allow you enough for them to make it pay, is often another and alas a sadder story.

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LIVE STOCK MARKET SHOWS GAIN.

With six million five hundred thousand head of cattle, horses, hogs and sheep received and sold during the year 1911, South Omaha established a new high record for a year's business which crowds that market close to second place among the world's live stock markets. In making this showing for 1911, South Omaha broke many records.

The gain in total receipts of all kinds of live stock for 1911 was 368,000 over 1910, which was the heaviest previous year. In cars of live stock received the record was also broken with a total of 94,000 as compared to previous record of 1907 of 89,625, a gain of 4,375 cars.

Hog receipts showed a total for 1911 of 2,355,000, a decrease of 70,000 head as compared to record year of 1908, but a gain of 460,686 over 1910. Notwithstanding this slight decrease the showing for 1911 was even better than 1908 considering the quality of hogs marketed, the weight of hogs for 1911 averaging fourteen pounds per head greater, or 243 pounds, which would indicate more nearly normal conditions prevailing.

Total receipts of cattle for 1911 numbered 1,172,921 head, being a decrease of 50,000 as compared to 1910, which was by far the best cattle year South Omaha has known. Compared to 1907, the previous record year, however, 1911 showed a nice increase. Compared to receipts at other large market centers and the shortage which actually exists in range cattle, South Omaha might well have anticipated a much greater falling off. In the number of feeder cattle sold at South Omaha and shipped to country feed lots, no shortage in production on the range was reflected, for the total number of feeder cattle sold at South Omaha reached 450,000 head, which represented a gain over the biggest previous year of 20,000 head. It does not follow, however, that the number of cattle on feed this year in the corn States is in excess of other years. In fact the contrary is the case. On account of the dry pastures last Summer in the farming States, particularly in Iowa, Illinois, Missouri, Kansas and Nebraska, farmers were forced to market many cattle which under normal conditions would have been held for Fall and Winter feeding. As a result farmers who desired to feed this Winter

were obliged to purchase their feeder stock at the market last Fall and while these purchases of feeders were greater at South Omaha than usual, it was because of a preference for the Western cattle received there in larger numbers than elsewhere, rather than any general increase in the number of cattle put on feed. It will be found that there are fewer cattle on feed this Winter than in many years previous. As a result of this beef is likely to be high during 1912.

The rapid growth of South Omaha's sheep market has been the marvel of her competitors and a gratification to those who have predicted so much for that department. In 1910 South Omaha showed a gain in sheep receipts of 817,856 head over any previous year, which was by many considered an abnormal showing. For 1911 the total receipts reached 2,975,000, or only 10,000 short of the record year of 1910. As a matter of fact 1911 showed a substantial increase in receipts of range sheep over any other year, the decrease in total receipts being more than explained by the decreased number of sheep which were fed in Northern Colorado during the Winter of 1910-1911. While the number of sheep received was about the same for 1911 as for 1910, the number of feeders sold for shipment to country decreased more than 100,000 head. This was due to the range sheep coming to market in the Fall of 1911 carrying more weight than during the previous year and better fitted for packers' requirements, and to the steadily improving demand for mutton. Consequently the packers were able to use at South Omaha for slaughter more than 100,000 more sheep and lambs than even in the big record year of 1910. Scarcity and high price of cattle, and therefore of beef, are teaching the people the value of mutton as a meat food, always considered most wholesome. The "high cost of living," about which so much has been said and written, will cause old C. P. to look to the meek eyed sheep for a large part of his meat food. And C. P. had better watch out and see that no harm comes to the poor sheep through ill-advised tariff legislation,—wool has to be grown on a sheep's back. Therefore, if wool production is made unprofitable, sheep raising will languish.

The improvements promised by the Stock Yards management at the beginning of 1911 for the sheep department have more than been fulfilled. At a cost of \$100,000, the Stock Yards Company has almost reconstructed its sheep handling facilities and built large and commodious, up-to-date barns, capable of housing and comfortably caring for 100,000 sheep at one time, thus giving to South Omaha the greatest sheep handling plant known. Just

(Continued on page forty-six).

PRESIDENT GOODING'S ADDRESS, NATIONAL WOOL GROWERS CONVENTION.

(Continued from page eight).

United States are employers of an immense number of laborers at the highest wage paid to any agricultural labor in any nation in the world. For instance, it has been shown that the average wage paid to the Western shepherd ranges from \$40 to \$60 per month. We find upon investigation that the average amount paid for board for the shepherds by the flockmaster in the eleven range States is \$18 per month. Figuring on the lowest wages paid to our shepherds of \$40 per month we find that we are paying to labor the equivalent of \$58 per month for caring for our flocks.

Now, let us compare the wages paid in this country with those paid abroad. Citing from an official report by the United States Consul in England we find that the wages paid to English shepherds for the ensuing year is to be \$14.65 per month. It has been the custom for years for the English flockmasters to meet in the market places in the vicinity of their farms and agree upon a scale of wages. This \$14.65 that has already been agreed upon for the ensuing year does not include board, but does include a house. So it will be seen by comparison that we are paying to each one of our laborers \$43.35 per month more than is paid by our English competitors, or reduce this difference in wages that is paid to a single man to a yearly basis, and you will find that the Western flockmaster is paying to each of his employes \$395.20 more per year than is paid by the English flockmaster.

The freight rate from the range States in this country to Boston averages 6½ cents a pound on the scoured basis, while the English flockmaster can lay his wool down in Boston for 2 cents per pound on the scoured basis. Let us not forget that statistics show that Great Britain has 28,000,000 sheep and that a great deal of the English wool finds a market in Boston and other American manufacturing towns.

Conditions in Russia.

Now, let us look at Russia. Russia is one of the great wool producing countries of the world, and it is estimated by our United States Consul at Moscow that she has a capacity for 300,000,000 sheep, or most one-half the total number of sheep in the world. We are told in a report from this same Consul that the average wage paid to Russian shepherds ranges from 10 cents to 20 cents per day, and he must pay his own board out of this princely wage, and that even this sum is not paid in money, but is given in farm products needed to sustain the life of the herder. Assume, if you please, that the wage is 20 cents per day, we would find the Russian shepherd receiving the magnificent

sum of \$6 per month compared to the wage of \$58 per month paid to the average American shepherd. When it is known that the conditions affecting the sheep industry of Russia are probably as favorable as those obtaining in our own nation, and when we appreciate the immensity of her ranges and unsettled lands, can William Jennings Bryan, or any fair minded American citizen ask the American wool grower to compete with this Russian wool grower unless he is given adequate protection through tariff legislation?

Conditions in Argentina.

One of the greatest competitors of the American wool grower is unquestionably the wool grower of Argentina and other South American Republics. We must not forget that in 1909 this country imported from South America 57,000,000 pounds of wool. It, therefore, must be apparent that a nation which has displaced so much of our clip should be looked upon as one of our most important competitors. From the best available reports we learn that the average wage paid to the shepherd of the Argentine Republic, which is the highest paid labor of South America, ranges from \$12.50 to \$20 per month. In addition to his wage he is given a monthly allowance of six pounds of salt, six pounds of rice, his tea, and is allowed to kill his mutton out of the flock. It he eats more than this magnificent amount, he must furnish it himself.

It is quite evident to my mind that it costs the American flockmaster in the range States more per month to feed his shepherd dog than it does to feed the peon that tends the flocks in Russia and in the South American Republics.

The American live stock producer, not only of sheep, but of all kinds of livestock, but little appreciates the enormous danger presented to his industry by the competition ultimately to be furnished by these South American countries. The resources of these republics are barely touched, and with cheap peon labor so abundantly available, with the richest of natural resources, with the immense River Platte navigable for more than a thousand miles; carrying a volume of water 100 per cent greater than the Mississippi, affording the cheapest of water transportation, it means that unless this Government of ours guards with paternal care its livestock industry it will ultimately be displaced and totally destroyed by the cheaper products of these foreign nations. In an official report from the Secretary of Argentina, he predicts that the day is not far distant when the American live stock producer will be unable to compete with the more cheaply-produced products of that nation. He intimates that the Argentine is ultimately destined to supply the people of this nation with their meat and other foodstuffs.

Conditions in Australia and New Zealand.

Aside from the Argentine, Australia and New Zealand are the great competitors of the American wool grower. For we imported from Australia in 1909, 60,000,000 pounds of wool, and 19,000,000 pounds from New Zealand. It is therefore important that we understand the conditions which obtain in the wool producing sections of these countries. Australia is to-day the greatest wool producing nation in the world, and unquestionably will remain so for a number of years. Her lands are ideally suited to the economical production of wool and mutton, and her natural advantages are so abundant that this nation cannot hope to successfully compete with her. Under the land laws that have been developed in Australia immense tracts have been leased to the flockmasters at a cost of about 3 cents per sheep the year round. These leases are of long duration, and the lands are fenced into paddocks ranging from five to ten thousand acres each. In these paddocks water systems have been developed and the land is reported to have a carrying capacity of from one sheep to five acres to two sheep per acre. The wages paid to the sheep laborer of Australia are higher than those paid in any competing country, but are fully 25 per cent lower than those paid in the United States. It is not in the actual wage paid to the individual laborer that Australia commands such an immense advantage over our own flockmaster, for it will be appreciated that where the sheep run in paddocks one employe can look after at least five times as many sheep as can be handled under the conditions obtaining in our own country. Therefore, the actual labor charge in Australia may be estimated at one-fifth of that in the United States. Practically all the work of tending the flocks of Australia is done on horse-back. Men ride through the paddocks from day to day giving such assistance as may be necessary during the whole year, and in some instances five men have been known to care for 100,000 head of sheep.

Again, the freight rates are much cheaper from Australia than they are from the range States in this country. Not only is their freight cheaper, but their rental to the Government is very much less than we pay our Government on our forest reserves. No country on earth charges so high a rental as the United States. Figure it on the scoured basis at the year-long rate, we are paying our Government 10 cents a pound on every pound of scoured wool that is produced in this country on the forest reserves. The Australian flockmaster is furnished pasture for 3 cents per sheep the year round. The climatic conditions are such in that country that no provision is ever made for Winter feeding, while in this country we must prepare to

feed hay or grain through the Winter months, and pay 6 cents a head for from three to four months grazing on the forest reserves. What opportunity has the American flockmaster when he has to compete with such conditions as we find in all the foreign countries? If Mr. Bryan will review these facts, it seems to me that he must understand that free wool means the annihilation of the great sheep industry of America.

There are those who seem to be under the impression that it is not practical to grow sheep in this country. Yet it is known to be the healthiest country for sheep in the world. It is the home of the wild sheep, and they are only found in North and South America. It is true that some of the foreign countries possess some advantages through their climatic conditions, but the greatest disadvantages that the American flockmasters are laboring under is the high price of labor, and everything that goes into the production of a pound of wool or a pound of mutton. If Mr. Bryan will furnish us labor, and living, and freight rates, and range as cheap as our foreign competitors receive, we will pay this Government a premium on every head of sheep that is run in America.

The Importance of the Sheep Industry to the Farm.

The importance of sheep upon the farms of this country, in my opinion, overshadows all other questions before the American people in the revision of Schedule K, for upon the productiveness of our soil rests the foundation of this Government. No nation is richer than its soil, and on the other hand it is just as poor as its soil. The productiveness of the soil measures the prosperity of the man upon the farm, of the State and of the Nation, and it should be the first consideration of every government to see that the productiveness of its soil is maintained.

Recently a noted scientist said that within fifty years the fertility of our soil will be exhausted. While the situation is an alarming one, I hardly agree with this broad assertion, and yet, unless the American farmer mends his ways, there is grave danger of an alarming condition before the end of this century.

Statistics show that there has been a marked decrease in the farm acreage in six of our leading agricultural States in the north Atlantic group in the last decade. Two million, eight hundred and thirty-four thousand acres of farming land that were once productive have been abandoned, or 28,340 farms of 100 acres each. Soil exhaustion has taken place in some parts of every State in the Union, and unless some effort is made by this great Government of ours to assist the farmer in keeping up the productiveness of his soil, this nation with its increasing population will in a few

years be struggling to feed its own people. An abandonment, if you please, of 28,340 farms in six States of the Union in the last decade! What a story it tells. In my opinion, this question of soil exhaustion overshadows all other questions before the American people to-day. Alarm is but a mild expression of the situation.

I venture this assertion, and I am confident that I will be supported by every agricultural college in the Union, that if a reasonable amount of live stock had been kept upon these abandoned farms continuously, and that a reasonable amount of the product of the farm had been fed upon the farm and returned to the soil, not one of them would have been abandoned to-day. If these farms are to be brought back into cultivation they must be brought back through the assistance of live stock, for you cannot continue robbing the soil without returning something to keep up its fertility. Study this question of soil exhaustion as much as you please, visit as many farms as you may, inquire into the history of the cultivation of the farm, and if you find that it is just as rich to-day as when the plow turned over the first furrow, it is because live stock to a reasonable amount has been fed upon it. There is no exception to this rule in any of the older settled States where general farming has been followed, and if you will study this question closely, you will find that of all the animals the sheep is the greatest benefactor to the soil. It has always been said that the hoof of the sheep was golden to the soil, and it has always been known that if a farmer had a run-down pasture or one full of weeds, that the sheep was the best animal of them all to bring back that particular pasture to its normal condition.

Some day the American people will learn the crime that was committed when wool was put upon the free list, or when the tariff was reduced so low that it was no longer profitable to maintain the sheep to any extent upon the American farm. The loss to the American people can be measured by billions, not millions, and some day when they get thoroughly aroused, as they will when they know the truth of the soil exhaustion that has taken place, they will discover the crime that they committed against our great industry. Not intentionally, of course, but the deed has been done, and it is our duty, fellow flockmasters, to call to our assistance every agricultural college in every State in the Union to bear witness to the condition of the soil and the necessity of live stock upon the farm. There is a greater question involved in this than what some people call the selfishness of men who are asking to be given a protection based on the honest difference in the cost of production of a pound of wool at home and abroad so that their industry may live—the very prosper-

ity of this Nation is at stake in this question. Destroy the live stock industry of this country, and you destroy the productiveness of the American farm. Congress came within one vote of passing a law placing all kinds of live stock in this country in competition with the cheap products of the South American republics and of the whole world. If that bill had been enacted into law, it would have seriously crippled the live stock industry of this country in a few years.

The people of America must learn that the production of all classes of live stock must be encouraged to the fullest extent if we are to come any where near feeding our people in the future. Our average acre crop production in this country is lower than that of any civilized nation on earth. It is so low that it is a disgrace to the American Nation. As compared with England, France and Germany we are not producing one-half per acre of what is obtained in those nations. Great Britain, with a territory not as large as some of the States of our Union, supports twenty-eight million sheep. It is said there is not an abandoned farm in all Great Britain.

Some fool writing on the repeal of Schedule K has said, "We can't run sheep in this country because there is not enough waste land," and yet in this country there are nearly a billion acres of waste land. The best lands in England, France and Germany are used for all classes of live stock and they have been made the best lands because live stock has been maintained upon them. Some of our politicians continually remind us that we have had a protection and yet we are not producing but little more than half of the wool that is consumed in the United States. Let me say that our protection has been little better than no protection at all. There has not been a campaign for forty years but what the sheep industry has been attacked upon the stump. No business can advance when it is threatened with annihilation every four years.

The tariff on wool that we have heard so much about has been a mighty factor in the support of this Government. In the year 1910 the duty on raw wool alone imported into this country amounted to the enormous sum of \$21,128,728.74. Next to sugar, wool and woollens are our greatest revenue producers. No good citizen should object to a tariff on wool, for it serves a double purpose—that of protecting a great industry so that it may exist in this country, and at the same time is a factor in the support of this Government.

Volumes can be written on the importance of sheep to the human race, but I have only time to discuss briefly the supply of food that our flocks furnish the American people. A careful estimate, based on the census returns, shows that there were

slaughtered in the United States last year 16,000,000 sheep. Figuring the average weight when dressed at fifty pounds, we find that the flocks of this country contributed 800,000,000 pounds of mutton to the food supply of this country. Put wool on the free list or reduce the tariff until the raising of sheep is no longer a profitable business, and you will practically destroy one of the great sources of the meat supply of this country, which is the healthiest and most wholesome of all meats used by the human race. To prove this I am offering the following figures, as shown by the United States Bureau of Animal Industry, showing the kind and number of animals inspected, the kind and number of whole carcasses condemned, and the kind and number of parts of carcasses condemned, for the fiscal year ending June 30, 1911, at slaughter houses having Government inspection.

Statistics show that there were 9,650,723 cattle offered for slaughter; of this number 24,702 whole carcasses were condemned; and 40,299 parts of carcasses. There were 35,831,552 hogs offered for slaughter; of this number 45,000 whole carcasses were condemned, and 791,735 parts of carcasses. We find that there were 10,992,579 head of sheep offered for slaughter; of this number only twenty-one whole carcasses were condemned, and one part of a carcass.

Every flockmaster in America should feel proud of this splendid showing, and we should see that the people of this country understand how free the American sheep is from disease.

In the agitation for the revision of Schedule K that has been going on for the past year there has been much said about the high price of woolen goods. Generally the flockmaster has been held responsible for these high prices. Nearly every magazine in America has had something to say on this subject. Miss Ida Tarbell had this to say in her article on the Tariff in the October number (1910) of the American Magazine: "Many thousands know they cannot think of wool, and dismiss the idea. A friend of mine who meets weekly a group of housewives in the tenement district of New York, asked them how much wool they bought. 'They laughed at me as if I had asked them how many diamonds they bought'. 'Why, we can't have woolen clothes,' was their reply." It must be admitted that there is some truth in this statement, but I deny that the American flockmaster is responsible for the high cost of clothing, and I am going to prove it.

I am dressed in an all-wool suit of clothes made for this occasion, it cost me \$50. I selected the best and heaviest cloth that I could find. In fact, it is an unusually heavy Winter suit, weighing eighteen ounces to the yard. The suit

contains three and one-half yards of cloth and weighs four pounds. It took exactly sixteen pounds of wool in the grease to make this suit of clothes. The average price paid at the railroad station for wool has been 14½ cents per pound for the last two years. This gave to the grower who produced this wool \$2.36 for furnishing all the wool required to make this suit. In making this wool into yarn and then into cloth a by-product or waste is created. This is the short ends or pieces that work off as the wool is put through the different processes before it comes out in the finished cloth. A careful estimate shows that this waste or by-product that is created in manufacturing this sixteen pounds of wool into cloth is worth 40 cents. The term waste is applied to this by-product, yet it has a high value, for it is used over again for making a cheaper grade of cloth or for flannels that can be used for almost any purpose, so we find that the actual cost of the wool in this suit of clothes is \$1.96. I have carried this investigation still further. Sending a sample of the goods of which this suit is made to a large manufacturer, I was advised that the cloth in this suit was sold on the market by the manufacturer at from \$1.90 to \$2.00 per yard. Figuring the three and one-half yards at \$2.00 per yard, we find that this sixteen pounds of wool has cost \$7 when manufactured into cloth ready to be made into a suit of clothes. This \$7 has paid the wool grower for growing the wool, the railroads for hauling the wool, the commission men for selling the wool to the manufacturer, the manufacturer for making it into cloth, and it has also paid the duty on the sixteen pounds of wool that are in this suit and the duty that is given to the manufacturer to protect him against the cheaper labor of foreign countries. Seven dollars, if you please, for all the labor and all the protection in the cloth for this suit of clothes, made of the best wool that is grown on earth. Statistics show that American wools when manufactured into cloth make the strongest and best wearing cloth of any wools in the world. Our own Government has discovered this through practical tests and our Army and Navy are dressed in woolen clothes made under contract to be all American wools. Let us see who is responsible for the high cost of woolen goods. Seven dollars out of \$50 leaves \$43 that the wholesale merchant and the tailor received for their labor for distributing the cloth and making it into a suit of clothes.

The officers of the National Wool Growers Association have made some investigation in the high price of woolen goods. We have learned this, that the wholesalers who contract the output of most of the large mills of this country receive more for distributing the cloth to the merchant

tailors of this country than the wool grower for his year's labor in growing the wool, the railroad for hauling it, the commission man for handling it and selling it to the manufacturer, and the manufacturer for making it into cloth. I am not yet ready to say that there is any robbery among the men who are contracting the output of nearly all the woolen mills in America, but it ought to be investigated by this Government.

Our investigation has shown that the average suit of clothes, taking the light weight goods that are made for Summer and the heavy weights for Winter, contains \$1.34 worth of wool, at the average price paid for all classes of wool in the range States for the last two years, which is 14½ cents per pound. \$1.34—is there a man in America so poor but what he can wear an all-wool suit of clothes so far as the cost of the wool is concerned?

Here are four and one-half yards of blue serge cloth such as is used for ladies suits that I bought for this occasion. This cloth is all-wool, and of good quality and retails in the store at \$1.25 a yard. It was sold by the jobber at 76 cents per yard. This four and one-half yards of cloth, with the present fashion of narrow skirts, will make a ladies' two-piece suit. This suit when finished retails at \$25. The American wool grower receives the magnificent sum of 81½ cents for furnishing all the wool required to make this all-wool blue serge two-piece suit.

Here is an all-wool suit of men's underwear of unusually heavy weight. The retail price of this suit is \$6.00. The American wool grower receives 75 cents for furnishing all the wool required to make it.

Here is a pair of men's all-wool socks of heavy weight and of the best quality. These socks retail in the store at 45 cents. The American wool grower receives 6 cents for all the wool required to make them.

I hold in my hand now an all-wool undershirt and a pair of socks for an infant, a complete suit made of all-wool and of the heaviest weight. There are four thicknesses over the chest and two thicknesses in the back of this suit. The retail price of these two pieces in the store was 90 cents, and the American wool grower received 9½ cents for furnishing all the wool required to make them.

Let me say that so far as the wool is concerned there is not a mother in the tenement districts of New York that is so poor but what she can dress her little one in an all-wool suit of clothes made from the best wool that is grown on earth. The American wool grower has rested long enough under the stigma of robbing the American people. We are not responsible for the high cost of woolen goods, and we should begin a campaign of education in every State in the Union so that the people

may know the whole truth, and if woolen goods are any higher than they should be, let the blame fall where it belongs. It is a crime for us to stand idle any longer and allow our industry to be destroyed by the muckraker and the jingo politician.

We are not only charged with the high price of woolen goods, but we are charged with the high price of mutton, and yet in this country in a little more than a quarter of a century a few packing companies have made enough money to buy all the sheep in America and at more than their market value. They have not only a monopoly of the meats that are consumed in this country, but they own more than 50 per cent of the packing plants of the Argentine Republic, and it is said they have a working interest with the balance of the packing plants of that country, and in the last few years they have become a mighty factor in the meat trade of the world.

One of the great efforts of this organization in the future should be to see that we receive the full market price for our products and that no company or corporation robs us of an undue margin of profit for performing its share of the labor.

This association should encourage the Wool Warehouse, for it is a step in the right direction to market our own product to the manufacturers.

It is not strange that we find so many people arrayed against protection, for it is true that many of the great corporations of this country have taken advantage of our protective tariff laws, and through them have had a monopoly. But this is no reason why the great principle of protection in this country should be abandoned, for if this Government is not strong enough to enforce its laws and control these great corporations and see that protection protects those to whom protection is lawfully given, then this Government is a failure and cannot stand. These great corporations are largely responsible for the struggle that we must make to-day for the protection of our industry, and we should go on record in this Convention asking for Government supervision of all the great corporations that have a monopoly on the products of this country. We do not want the great distributing systems that have been built up and paid for by the producers and consumers destroyed, but we do want them regulated. This Government is doing a great work in the regulation of its railroads through the Interstate Commerce Commission, and it must go still further in this great work for the protection of its people. I believe we have reached that period in the history of this Nation when the men who control these corporations are going to be forced to obey the laws, but what we need in this country, fellow citizens, is more obedience to the law all

the way around. Prince or pauper should stand equal before the Bar of Justice, and whether it be the head of a great corporation or the head of a great labor organization, the law should be supreme, and the penalty for its violation should be behind the prison bars. If it is going to hurt the big business of this country to make it an honest business, then that business must be hurt.

In the fight for protection to our industry let us stand for those principles that are fair and just to all concerned, asking only for the honest difference in the cost of production at home and abroad. If Congress refuses to give us that honest difference, let us bring into our organization every wool grower in America and fight our cause before the American people. If we occupy this position only asking what is fair and just, we will be strong in the right and our cause will prevail.

SHEEP FARMING IN SOUTH AMERICA.

(Continued from page ten).

Now while the Argentine estanciero is ahead of us in production of wool he is ahead of us too in producing good mutton. His wethers fatten finely and are of a uniform quality. When they were exported alive to England they were better liked than our wethers. Now they can not be sent any more alive, but they are frozen, and the lambs are frozen and sent to Europe. The prices that they receive for fat wethers vary very much, but in general they are far less than we get here. In Patagonia I found the freezing companies buying fine wethers for \$2 each. These were for freezing or for canning. In the far North I found them sold for as little as \$1.50 each. On the other hand in Buenos Aires I saw them sell as high as \$4 each. It is a matter of where they are, the freight and the local market conditions. The American packers who have come into Argentina will advance prices for mutton and be a godsend to South America. The old frigorifico owners in South America did not have any "trust," but I think they had a "gentlemen's agreement" that kept them from paying good prices for the animals they bought. I do not think our packers have in all things done right but I do think that it is due to their splendid energy and business ability that we have our good mutton markets. You reply that they are not always good? True, and no one can take care of a market that is swamped with stuff dumped on by a frightened lot of stockmen.

The whole truth is that the Argentine sheep grower has better sheep than we have. His wool is more desired and his mutton is better. How does it all come about? Why should he have better? Is

he a more intelligent man than our own sheep owners?

Quite generally he is an intelligent, even an educated man. He may be an Englishman or a Frenchman or a Spaniard or a Basque. If he is an Englishman or a Scotchman you may be sure he is a thorough stockman. Some of the Spanish and native Argentines are also keen stockmen, well educated, capital judges of animals. They have a great pride in their business, a great pride in their sheep. You see there is little in Argentina but agriculture and live stock. The brainiest men take to these things. The men of most wealth take to these things. There are great live stock shows where the best are brought together in competition, much as we do in North America. These estancieros are liberal buyers of rams. They think nothing of paying \$100 each for good rams. They will go to England and pay there as much as \$5,000 for one ram. They have paid a good deal more than that for a champion Lincoln ram. They have paid nearly as much for a Romney ram.

Now how can they do these things?

Why can't, and don't, our own stock men do such things?

It all comes about from the difference in the land policies of the two governments, Argentina and the United States. In Argentina the Government has done all it could do to help the sheep and cattle growers. The land has been sold at low prices to these men. They have long had secure title. Thus they have been able to fence their lands, to breed up their flocks to the present high standard. Sheep have never been the homeless wanderers in South America that they have in North America. In South America the estanciero knew just how much land he had, he fenced it, he stocked it, it belonged to him and he was secure, then he set to work seeing how good he could breed his sheep. He has not always done as well as he could; he has not done as well as the Australian or the New Zealander but he has done far better than we have done and it is no occasion for wonder that he has done so. The conditions have helped him. Who, in our West, felt like putting much money into rams when he was not sure of where he would feed his sheep? I once owned and managed sheep in the West. I was never sure whether I would have grass or whether I would not. The man nearest me had sheep and he was an unscrupulous, dishonest man. He would do all that he could to harm us, bring his scabby sheep over on our range—we were sure of nothing. We did not own the land,—nor did he. Uncle Sam ought to have leased us our range, but there was no law. I do not think that we should have been sold the ranges, but they should have been leased to us, then we could have fenced, gone on building up our

flocks, could have had a secure, regular, steadfast business instead of a precarious one. I think that Argentina made a mistake in selling her land in too big blocks and too cheaply, that made a class of lords and a class of peons, yet even that course was better for the development of the country than our treatment of the grazing lands. Our sheep men have been wronged by denying them opportunity to lease enough land to carry their sheep. Maybe it has been their own fault, maybe they have never asked for a lease law? I well recall when once I was at the Fort Worth National Live Stock Convention that we had this thing up—oh, many years ago, before my hair was gray, and I pleaded with the sheep owners to agree with us and ask Congress for a leasing law. I was then a Western rancher, with both cattle and sheep. If I remember correctly the sheep owners fought the leasing proposition, and Congress, finding the stock men divided among themselves, took no interest in the matter. So many men trespassed on our range that we were glad to sell out and quit. No one who succeeded us has made a dollar, I am told, and yet the old range that we used, if it could be leased to one outfit, would make a fortune, in the long run. Instead it has been wasted, the grass ruined, more than one man has lost money putting stock there because there is no possible assurance that any one can have enough grass to keep him safe through the Winter.

The South American estanciero, then, has the advantage over us in his land tenure and the breeding of his sheep. Let us see if he has any other advantage.

He has mild Winters and no need of feeding, as a rule. There come years, though, when it would be far better if he could, and, would, feed in the Winter since he loses his lamb crops sometimes because of inability to feed. He has fairly cheap labor. In Patagonia wages are highest. There I found men paying as much as \$30 to \$40 per month for English and Scotch shepherds, with board, or with food. That was the highest rate of wages that I found. As a rule the native peon laborers of Argentina work for about \$20 per month and their food and housing. Rates of wages vary so much in different parts that it is hard to specify, and impossible to say that any definite sum would be fair to all the country. Further, the Argentine peon is hardly the equal in efficiency of the North American sheep herder or camp tender.

In my opinion the difference in wages between the two countries is very much more than offset by the better prices received in our country for mutton, for the lambs and wethers.

In Argentina, however, the laborer is far more efficient than with us because their system of land tenure enables them to fence the land and then the laborer has

little to do aside from keeping up the fences, dipping the sheep from time to time and giving them a very casual oversight. The herding system common with us, is absolutely unknown except in some few parts of Patagonia.

Land Leasing.

Argentina seeks energetically to get all her idle land in use. There is in the old region that we called when children "Patagonia" and that now comprises the territories of Rio Negro, Chubut, Santa Cruz and Tierra del Fuego, a tremendous lot of land not yet stocked with sheep. These are the lands of the cold South. As a rule they are totally unfit for agriculture. They correspond to the coldest and driest ranges in the United States. Here is where is coming the newest developments in sheep breeding. Here great fortunes are now being made. These dry, cold lands are half desert, yet they produce good sheep. There are similar lands in Montana. The grasses are good but sometimes they are scant and the land is covered thinly with brush. The region is divided into square "leagues" of about 6250 acres each. In the far South a league will carry nicely about 2,000 sheep or more. As one gets away from the Straits of Magellan the grass becomes poorer and he can keep no more than about 1,200 to the league, and finally in the driest parts, in Chubut and Rio Negro, he can be sure to have feed for no more than 1,000. Here it is that the Government is selling and leasing lands to-day.

The lands of this region, remember, are not fit for agriculture because it is only rarely that they are irrigable and the rainfall is far less than it is in the North. When I was down there the Government held these lands mostly at a price of about \$4250 per league. This was to be paid in ten annual payments. Interest I think is not paid on deferred payments. I speak from memory, this is substantially the arrangement. The Government would sell you eight leagues and lease you eight leagues additional. Thus you got control of about 50,000 acres. That gives you a chance to set to work to build up a great estancia, with anywhere from 15,000 sheep to 40,000 according to the goodness of the range. It pays to have a plant big enough to take care of the overhead charges. These are high in Argentina. Managers may make salaries anywhere from \$2,500 to \$10,000 a year, American gold. There are well paid bookkeepers and clerks on the estancias. Books are kept in shipshape. These men do not guess as to how their business is run or as to whether it is profitable. When I went to a South American estancia for facts as to the business the manager spoke to the bookkeeper and in a short time I was in possession of the

exact facts, all the costs, all the sales, the inventories complete from year to year.

The Government does not, I think, lease land except when land is bought alongside it. Here it differs widely from the Government of Australia which leases at exceedingly low rates and even lends money to sheep farmers with which to make improvements, fences, developing water and so on. Australia is the model Commonwealth, the one we ought to study in order to appreciate the land leasing proposition. In Argentina as I have said it has been a land selling proposition, and at too low rates to develop a lot of small farmers. There is no middle class in Argentina, because the few monopolize land and opportunity. I do not think that the land system of Argentina is as good for the country as the land laws of the United States, but it has been better for the sheep industry and it has been well adapted to the classes of immigrants that they have secured. Australia has the system that we ought to study before we lease our wild grazing lands.

Disadvantages.

Let us look at the other side for a minute. The South American estanciero has his troubles. Drouth may kill a part of his sheep. In Patagonia a deep snow will kill a part, the snow may drift over his fences and the sheep escape and get away from him. Sometimes half their sheep are lost in that way. In Patagonia the best grazed land has been taken and what is left is hard to get water to; it takes very deep wells and they are costly. When one gets back from the Coast he is up against the problem of getting the wool down. Along the Andes there is fine grass, with some danger from snow, but it is nearly impossible to get the wool down at any living cost. Then there is scab. There are few estancias in South America that are not troubled with scab. I do not know that it is harder to get rid of there than with us but for various reasons they do not conquer the disease. A few men have cleaned their flocks and ceased to dip, but in order to keep them clean they have quite generally had to double fence between themselves and their more careless neighbors. They do not have the trouble that we have with wild animals, fortunately, but they have occasional plagues of locusts that devour every living bit of green. They are not afflicted with parasites except in the northern provinces in wet seasons. On the whole it is a very easy country in which to breed sheep, a land of comparatively mild Winters in the south and very mild Winters in the north, a land with few diseases and few marauding animals.

Too Late to Go Into the Sheep Business in South America To-day.

Lest this should lead men to leave the United States to go to South America and

enter the sheep business, I will say that it seems to me the bright openings are gone. Land in the northern provinces of Buenos Aires, Santa Fe and Entre Rion are worth now from \$20 to \$40 per acre. It is not their desirability for sheep growing that makes them sell for such prices, it is the demand for these lands for agriculture. I found the men whom I visited making money, almost to a man, but as a rule in these provinces they were making a rather small interest on their investments and some were making less than 5 per cent, calling their land worth what it would bring on the market. In Patagonia I found men making big profits on their investment, as high as 20 per cent, but the chances to secure lands as desirable as theirs are gone forever, the vast region of remaining unoccupied land, while good sheep land is only able to carry about 1,000 sheep to the league of 6,250 acres. Those who went early to Argentina and secured land and kept it have made great fortunes. It may not be too late to-day, but certainly the chance is not what it once was.

Dangers of Argentine Competition.

I have said that the sheep of the north, where most of the sheep are and have always been, steadily diminish. That is because ships come thick and fast to Argentina, loaded down with human freight. The immigrants go to the land, they plow, they plant wheat and corn. Afterward the sheep never come, but cattle come to eat alfalfa. The consumption of sheep is enormous in that land. A peon will be given from one to two sheep per week for his own use, and the use of his family. The cities grow. They also consume immense amounts of mutton.

There is no probability of an early development of woollen manufacturing in South America, though in Uruguay are some mills that make very useful things. In a sentence, it is probable that we will see little change for some time in the volume of wool coming from Argentina; it will tend to become better wool and we will see a little greater development of the frozen mutton industry because in Patagonia are new frigorificos that will this year for the first time send out frozen mutton.

New Developments in Breeding.

We can get most good from the lesson of South America by studying their systems of breeding. All of the southern extremity, Chile and Patagonia, is going strongly to the use of the Romney ram. Romneys are English sheep, somewhat like the Cotswold or the Lincoln. They have been found in South America the best sheep to cross upon the Rambouillet. By their use the wool is increased and made better. By their use splendid mutton is secured. Romney rams have changed the sheep breeding of New Zealand and the south of South America. I think that Romney rams would do the

same splendid work on our range ewes. It is a mutton cross that does not cause you to lose in your wool but to gain instead. Romneys are the hardiest breed of sheep known. I hope to see thousands of Romney rams in use in the United States within a few years. Robert Taylor has tried a few of them, some other breeders have tried a few—they have done good work. There would seem no good reason why the Romney could not do the work in America that it has done south of the Equator.

Looking Ahead in the United States.

As I see it we have a bright outlook for the sheep industry in North America. Assuredly there has never been a brighter outlook. The sheep grower who is a pessimist does not take account of the signs of the times. Let's go back a little way. I remember in the Ohio Valley when sheep were boiled down for their tallow. There were no very large numbers of sheep in the United States at that time, probably not a single sheep west of the Missouri River except in California, and yet there was more mutton than could be sold and sheep were boiled down and their carcasses buried by the thousands. After that time developed in the American people a liking for mutton and the population grew mightily at the same time. To-day the American people are almost up against a meat famine. Look at the price of cattle, look at the price of hogs to-day. Best cattle in Chicago yesterday sold above 9 cents a pound. Sheep do not sell so well—why? It is because we are dumping too many on the market all at one time. The worst enemy to the sheep in the United States is other sheep. Let me illustrate and show what over supply will do in the market. If the market has use for, say 1,000 sheep a day, and it gets 900 sheep, what is the result? Buyers will fall over each other to get the stuff. The market will pay more money for the 900 sheep than it would for the 1,000.

On the other hand, supposing when 1,000 are needed there come 1,100, what happens. That extra hundred, that surplus, makes a drag on the market. Sellers hunt up the buyers, then, and buyers have it all their own way. The 1,100 sheep will bring less money than would the 900, most likely.

That is the trouble to-day with the sheep market, the growers are dumping on it too many sheep. It hurts the market very much and many of us are losing money, but what will be the result? In the end this very thing that is hurting us to-day will benefit us. In a little while we will have a reduction in our breeding stock and that will be a good thing for every man who has kept his ewes. In a little while, no matter what Congress does, there will be a scarcity of mutton on our markets and high prices will reign. I look to

see lambs from the ranges—good, fat lambs, sell in the Chicago market within three years for 10 cents a pound, live weight. It is as sure to come as the American people keep on working and keep on eating. It will be true if wool is reduced in its protection or if wool is put on the free list, just so the American people keep their jobs—have money to buy food with. What is the matter with the mutton market of the United States to-day? There are too many sheep and lambs offered on it, that it all that is the matter with it. It's a bully thing for the man who sticks to have his neighbor sell his ewes. We may well be sorry for the man who sells, but the outcome is sure to be this: that the business of sheep breeding in the United States is to be a better business than it has ever been known to be before. Our consumers increase. Their taste for mutton increases. The days of boiling down ewes for their tallow are over. Soon the days of low priced mutton will also be over.

It's a very curious thing, this law of supply and demand. There is no justice to it, but it is a thing that we can't get around. Take cotton—with the biggest cotton crop in the history of America the growers will receive a total amount of money less than they received for their much smaller crop last year. It naturally cost the Southern people a lot more to grow that cotton this year than it did their crop of last year, and yet they get less money for it! There is no justice in that, but it is a law that is hard to get around. My advice to the producer always would be, "Don't produce too much." We have seemed to overload the American table with mutton pretty frequently. We won't do it much longer, I am sure. We will have within a few years, I hope, prices almost as high as have the farmers of England and Scotland, and they get fine profits from sheep farming with no protection at all for their wool.

What the North American Sheep Industry Needs.

Now please pardon me if I sum up my beliefs, after having been in the sheep business for nearly all my life and having made a constant study of it for a year at home and abroad.

I find here assembled, as is natural, the representatives of the great West and of their problems I will chiefly speak. The problems of the West and of the East are not the same. There is not to-day very much sheep farming in the Eastern States. The Western sheep grower with his floods of cheap mutton have made sheep farming on Eastern farms rather unprofitable. There have been other distressing occurrences—the invasion of parasites the chief, so that there is in no part of the land to the east of us a great sheep industry.

There will be, I hope, a return to sheep by Eastern farmers when once consumption has so overtaken production that we will have higher prices for our mutton; the Eastern men wait to see your competition lessened before they go largely into sheep farming. The sheep of Idaho, Wyoming, Utah, Montana are the worst things that the sheep growers of Ohio and Indiana have to contend with. We don't blame you, we patiently wait, meanwhile taking your half-fat lambs to fatten. Some day our turn may come to keep ewes. We can do it when prices for mutton will justify.

Now what can most build up the sheep growing industry of the great West? First of all you need a leasing law so that you can lease your grazing land and fence it and be assured of the permanence of your business. I believe that you can get this if you will ask Congress for it.

The day of the nomadic, homeless sheep herd should be over. It is the nomadic sheep herd that has brought all the industry into disfavor in some sections of the West. In all countries where sheep have abiding home on lands lawfully their own to use sheep owners are among the most respected of all mankind and counted as the backbone of a law-abiding, helpful, building part of the community.

With your ranges under lease from the State or National Governments then you can fence, perhaps exterminate the coyotes, and, to some extent at least, cease to herd your sheep. There are no sheep herders in South America. On one ranch down there I found many more than a million sheep and all of them in fenced pastures. In Australia there are none but fenced pastures. Our Forest Service has shown that we can in our country grow more sheep and better sheep with less injury to the grass when we adopt the fenced pastures.

After leasing our lands, next we can settle down to systematic improvement of our sheep. There is now little encouragement to buy good rams, one is not sure of his feed, not sure of remaining in the business. With lands leased we at once step on to a different plane and begin to do things looking toward permanence.

Shall we breed differently from what we are now doing? Yes, in a measure. The difficulty with the Western breeder to-day is that he has been careless in many instances in his choice of rams, he has too many types, too many kinds of sheep in his flocks, he can not produce wool of uniform quality. Let me suggest that we breed for one or two and better wool. Let me go further and say, with emphasis that we ought to breed for the most pounds of scoured wool. The sheep that produces the most pounds of scoured wool is the sheep that pays best. The wool that is best for the manufacturer grows on the back of the

sheep that makes the most money for the rancher! Did you get that? I will repeat it with all possible emphasis—"The wool that best suits the manufacturer grows on the back of the sheep that makes most money for the rancher." What does that mean? It means to breed wools of lighter shrink than we are breeding to-day, because the sheep that produce the lighter shrinking wools are the sheep that are the easiest made fat and bring the best money in the market place.

"Damn the manufacturers," I heard a wool grower say the other day, "we ought not to take them into consideration at all. They down us every chance they get." Friends, that is a foolish attitude that I don't think many of you share. Manufacturers are men, like the rest of us, they are grasping for the dollar, just as we are grasping for it, they have gotten a surer grip on it than we, perhaps, but it is absolute folly for us to ignore their needs and their wishes. It would be suicide too, if we could shut up their mills and make their employes unable to buy our food stuffs. Then indeed there would be mourning on the streets. In the scramble for protection it may be that the manufacturer got more than the farmer got, more than he needed, very likely—I do not know. This I do know, that for us to grow the sort of wool they want is good business. To put it up in the way they want it is good business. When we get the ranges leased, the business on a permanent basis, then we can begin to get reputations for our wools. Do you know that in Uruguay, in Chile, in Argentina, each estancia of any note has made a name for itself, and for its wools? Each year the managers are careful in shearing, careful in packing, careful in assorting, thinking all the time of what impression that wool will make on the manufacturer. Some men have such a name and their wools are always so uniform and so good that the buyers eagerly look for it in London, the manufacturers' agents say: "Be on the lookout for Gibson's wools, or for Gepp's wools, or for McLeod's wools," for these are bred right, assorted right, packed right, they are honest clips and the men who use them know what to expect of them. I say, friends, when the good day comes when the sheep owners of the West are no longer Ishmaels driven out to roam the wilderness, then we will settle down to intelligent sheep breeding, then we will learn what bloods and what crosses are best for our range, then we will learn to pack our wools and the manufacturers in our country will bid eagerly for certain types and brands of wool coming from known growers.

Now just a word about bloods and I am done. South America breeds three breeds of sheep only, except in very small

numbers, Rambouillets, Lincolns and Romneys. The present tendency is all toward the use of Lincoln and Romney rams on Merino and grade Merino ewes. The Lincoln is most in use in the rich lands of Buenos Aires. The Romneys are most in use on the colder lands to the south. I believe that the Romney breed is destined to work a revolution in North American range sheep growing. Use of Romney rams gives strength, constitution, mutton and wool. I am glad the breed has been introduced and look to see it spread until there are many thousands in use here.

Nevertheless, the Rambouillet must always be the foundation blood of the range, here as elsewhere. In Argentina some men have used Lincoln rams until their flocks are of almost pure bred Lincoln type. Now they are beginning to go back again to the use of the Rambouillet. They find more profit in the cross bred sheep. They think the ideal combination for their soils and climate and markets is to have in the ewe flock 25 per cent of Rambouillet blood. We will always have use for the Rambouillet. I think that the more mutton quality there is in the Rambouillet the more of a money maker he is for our markets.

Now a word to the brother who is scared. I have not the slightest idea of what Congress will do with the wool tariff. I do not think that it so very much matters what is done. I can not believe that wool will be put on the free list; my guess would be that the protection may be reduced slightly, but no one on earth can more than guess here. What I wish to impress is that money from sheep in our country is not to-day altogether dependent on tariff. Loss is not all dependent on tariff, either. There has been no change in the tariff laws, and yet last year I dropped some thousands of dollars in my sheep operations. There has been no change in the tariff law and to-day mutton is very low. It is the over supply that is responsible. It is all the law of supply and demand. Any sort of law that will very much increase the numbers of sheep in the United States will result in low prices for mutton and mutton is the end of every sheep. Hold on! Don't be stampeded. Within three years fat lambs from the range will, I confidently believe, sell for 10 cents a pound on the Chicago markets, and that, no matter what Congress does. Hold on to your sheep. Breed them better. Get a range and a home for the sheep. Found an industry that you can leave to your boys. Sheep will pay big with no tariff at all, after we adjust ourselves to it. The sheep growers of South America, of New Zealand, of Australia, all of them are making fortunes. They have no tariffs to protect them. I do not think

that it would be wise or just for Congress to put wool on the free list, nor do I think it possible that it will be so placed, but even if it were so placed after we had, perhaps with much sorrow, adjusted ourselves we would make money, make plenty of money from the growing of sheep.

WOOL MANUFACTURE IN EUROPE AND AMERICA.

(Continued from page thirty).

—although every man who believes in the further development of American industry must be utterly opposed to this conception of the primary purposes of a tariff—why should the woolen industry be expected to furnish still more revenue than it has done and is doing under the present tariff, where it occupies a preeminent place in respect to the amount of duties collected? For the fiscal year ended June 30, 1910, the customs receipts of the country aggregated three hundred and thirty-three million dollars—the largest in the history of the United States. Of this large amount, Schedule K, taken as a whole, furnished directly one-eighth, being surpassed only by sugar.

Besides, it must not be forgotten that the woolen manufacturing industry, in addition to the large amounts of wool imported by it, which, as above shown, add materially to the customs receipts, annually brings in indirectly many millions of dollars of revenue in the way of duties on its importations of machinery, chemicals, dye-stuffs and numerous other supplies. All these items are credited to other industries, the receipts from which would be correspondingly diminished in the event of any injury to the domestic woolen industry; while on the other hand no similar items of supplies, etc., intended for other industries are included in the receipts under Schedule K. Textile machinery is not specially classified, so that it is impossible to say just how much was received from this source and credited to the iron and steel group. Neither do the tables of customs receipts indicate how much of the imports under the head of chemicals, dye-stuffs, oils, etc., are intended for use in the woolen industry.

Directly and indirectly, then, the woolen industry, which depends for its existence on adequate tariff protection, has done and is doing at least as much toward the upbuilding of the country as any other, especially those not dependent on the tariff; and the more the industry is properly protected, the greater will be its development and the cheaper and better will its products become, thus benefiting the whole American nation. None of these facts are taken into account by the critics of Schedule K, and in view of the direct and indirect revenue derived from imports of wool and woolen

manufactures and from the imports of other articles used in the manufacture of woolen goods, Mr. Underwood, in his attempt to still further increase the revenue from Schedule K by a reduction of duties, runs a great risk of "killing the goose which lays the golden eggs."

A Real Tax on Luxuries.

In another respect also the woolen schedule may be relied upon to furnish revenue, viz., by the duties on fashionable articles of import. Certain goods, representing the latest European fashions, will always be imported, regardless of the duty, by and for the great number of wealthy people in the United States desirous of having something out of the ordinary, with whom the cost does not enter into consideration and who cling to the traditional notion that imported goods are better, more stylish and less commonly worn than domestic products.

This is all the more true in respect to woolen manufactures, because, in the finer articles of clothing, the cloth used only constitutes a small part of the cost. For instance, a gentleman's suit made of imported material selling for from \$60 to \$70 requires three and one-half yards of cloth, which, at the average price per yard of \$3 to \$4, would amount in all to only \$10 to \$15. This also applies, in corresponding degree, to fashionable articles of ladies' wear made of woolen and worsted goods. In order to obtain as much as possible from this inexhaustible source of revenue, the duties on such fashionable articles must be fixed at such a level as to make them in fact—as they are generally considered in European countries and as they ought to be considered here—a tax on luxuries.

Those who are dissatisfied with and attack Schedule K seem to have but an inadequate conception of the task of properly and soundly clothing the ninety odd millions of people in the United States, and while I credit the advocates of this policy with the very best intentions, I cannot help stating, as my very earnest conviction, that they utterly fail to grasp the full importance of the subject.

Rather than re-arrange our customs duties solely for the purpose of raising revenue, regardless of the injury resulting to the important wool growing and wool manufacturing industries, it would be better, if no other means were available, to adopt more equitable and more certain measures for obtaining additional revenue.

Value of Tariff Board—German Methods.

President Taft is undoubtedly correct in demanding mature consideration of the whole matter, and in asking that Congress await the report of a Tariff Board or Commission, so that many of the unsound the-

ories propounded by various people with the best of intentions but lacking just as much the necessary comprehension and knowledge of the subject may be properly corrected.

In framing legislation of this kind it is impossible to have too much information. Not only should the report of the Tariff Board or Commission be awaited, but that report should be examined most closely and a hearing given to those differing with its conclusions. The Tariff Commission of Germany, formed in 1899, consumed several years in the preliminary work of gathering and arranging information and statistics upon which to base proposals for the present German tariff enacted in 1902. In this country the same task might be accomplished in a shorter time. The German Commission at first comprised a General Committee (Wirtschaftlicher Ausschuss) of twenty-four members, which has since been increased to forty-eight. For the purpose of assisting and strengthening the General Committee, the Commission was enlarged by the appointment of a great number of experts representing all the principal industries and occupations—iron, textile, and all other industries, commerce, agriculture, etc.—who took part in the proceedings relating to their respective interests. (I may add that I served as one of the experts for the woolen industry).

Officials of the Government, representing the Department of the Interior and the Treasury Department, were present at all sessions of the Commission and drew up, using mainly the data obtained by them in co-operation with the Commission, the form of the bill to be submitted to the Reichstag for final action. None of the members of the German Tariff Commission, who were selected for their high standing in their respective lines, received any compensation whatever for their services, the Government employees keeping records of all meetings. If the German system were to be applied to America, for instance, President Taft's Tariff Board could represent the Government, and a Commission along the German lines outlined above, representative of all the country's interests, agricultural, industrial, and commercial, could be appointed to co-operate with the Tariff Board in compiling data for a sound and at the same time business-like tariff bill for the final consideration of Congress.

So thorough and systematic were the methods of the German Commission that it achieved a world-wide reputation. The most detailed statements were required from all agricultural, industrial, and mercantile enterprises of any importance regarding production, capitalization, number of laborers, sources of supply for raw material, domestic and foreign sales, suggestions regarding the home and export trade, etc. With these data in hand it was pos-

sible for the Government and the members of the Commission to obtain a thorough insight into the working of each industry, as well as the interrelation of the various industries. Without a similarly thorough knowledge of the subject no body of legislators should attempt to pass laws affecting the country's wealth, its agriculture, commerce and industry, and the opportunities of all its people for earning their livelihood under equal conditions.

Justice of Allowing Due Time Between Enactment and Operation of Eventual New Tariff.

Whenever, in a European country, changes are made in the tariff, the changes do not take effect until those affected have had an opportunity to adjust themselves to the new conditions. The last German Tariff was completed in the Summer of 1902, but its provisions did not take effect until March 1, 1903. The same is true of the French tariff which took effect last year. In the United States, too, when the tariff is revised, due time should be allowed the business interests affected to adapt themselves to the changes. There are many industries, among them the woolen industry, which must make the purchases required in manufacture and also accept orders for their products many months in advance. The woolen trade is divided into two seasons—Spring and Fall—and in order to take care of the rush of business in the height of the seasons, extensive arrangements must be made a very long time ahead by the retailer, the clothing manufacturer, the jobber and the manufacturer of woolen and worsted fabrics. From the time the last mentioned buys his wool in the primary market to the time when the finished cloth is offered for sale by the retail dry goods store, or is made up into wearing apparel by the dressmaker or the merchant tailor, many months must necessarily elapse. In the case of ready-made clothing, suits, cloaks, etc., where the cloth has to go through the hands of the wholesale clothing manufacturer and then be delivered to the retailer, the lapse of time from the purchase of the raw wool to the sale to the consumer of the finished product is even greater. Therefore in all fairness ample time should be given to all concerned, in the case of eventual tariff changes, to arrange their business accordingly.

It is to be hoped that by a thorough and scientific investigation by a non-partisan Board or Commission the whole situation may be made clear and that the misleading speeches and writings against Schedule K may cease, so that the woolen industry, which is as much entitled to existence as any other, may be permitted to further develop under just and equitable conditions and contribute as heretofore its important part to the general welfare of the country.

TABLE I.

A.—Buildings.

Comparative unit costs of labor and materials required in the construction of a mill building suitable for woolen or worsted manufacturing.

	Germany	In U. S. A.	Exc'ss Pct. U.S.
Excavation, cu. yd. ....	.184	.281	53
Concrete, cu. yd.	3.85	5.40	40
Brickwork, cu. yd.	4.41	9.45	115
Roofing, sq. ft. ....	.12	.19	58
Skylights, sq. ft. ....	.30	.40	33
Cement floor sq. ft. ....	.05	.08	60
Castwrought iron, lb. ....	.0241	.0337	40
Doors, windows, p't'g.			30
I-beams, ton of 2,200 lbs.	32.14	44.00	37
500 hp cross compd Rice & Sargent engn incldg cndnsr erected on foundation .	8,500.00	12,700.00	49
Fire tube blrs, 100 lbs	3.60	4.90	36
Shafting			75
Piping and covering			30
Electric lgt. and motors.			20
Chimney	2,250.00	5,300.00	130
Avg. pct. excess cost U. S. for above units cnstrctn			53%
Laborers, hr	.071	.20	185
Brecklyrs, hr	.143	.60	322
Crpntrs, hr.	.12	.45	280
Sheet metal wrks, hr. . . . .	.131	.45	243
Iron wrks, per hour. . . . .	.131	.525	300

April 11, 1911.

The above are exact figures obtained at date hereof from very prominent American and German mill contractors and constructors.

B.—Machinery.

Imported machinery pays 45 per cent duty, and the packing, forwarding and freight charges amount to from 10 per cent to 15 per cent additional.

As outlined in the foregoing statement, domestic machinery used in woolen and worsted manufacturing is not quite so expensive as European machinery, but in many cases the domestic machinery has not been so fully perfected as the European machinery and is therefore less effective and this fact tends to neutralize the difference in cost.

From the above figures, compiled under A and B, it can be seen that the cost of a mill in the United States is 55 per cent higher than that of a mill of equal capacity in Germany; and the German figures may well be taken as the average for European countries in general.

TABLE II.

Comparative Wages paid in Woolen and Worsted Mills in the Eastern part of the

United States and in Germany.

(Figures for Germany represent in each case the average wage paid by leading firms in six of the principal woolen centers. The actual wages differ in each locality, but the amounts given below represent the average weekly wage.)

	Avg. wage per wk 56 working hrs.		Ratio of U. S. Wages to German in Pct. Ch.
	U. S. Eastern	Germany	
Worsted spinning (French system):*			
Head wool sorter.	\$26.00	\$ 9.60	271
Wool sorter.	15.50**	3.75	413
Washhouse overseer	22.00	6.10	361
Cardroom ov'ar.	22.00	6.35	341
Combng'r'm ov'ar.	23.75	8.30	286
Drwgng'r'm ov'ar.	23.50	9.45	249
Mule spngng ov'ar.	21.00	9.05	232
Ring spngng ov'ar.	22.00	8.95	246
Twstg, reelg ov'ar.	21.00	8.50	247
Wool washers.	8.20	4.90	167
Card strippers.	8.20	5.10	161
Card feeders.	7.60	4.35	175
Combs	7.25	2.90	250
Backwashers	5.90	2.80	211
Gill boxes.	5.40	2.90	186
Drawing gills.	5.70	3.00	190
Drawing frames.	6.35	2.85	223
Roving frames.	5.95	3.20	186
Mule spinners.	13.00	6.40	203
Spinners' helpers.	6.60	3.55	186
Ring spinners.	5.85	3.25	180
Twisters	6.20	3.25	191
Winders, reelers.	6.10	3.05	200
Cylndrr'm ov'ars.	11.20	5.90	190
Overseers' helpers.	6.20	3.40	182
Needle setter ov'ars	11.20	4.35	257
Overseers' helpers.	7.85	3.35	234
Engineer	20.00	10.40	192
Engineer helpers.	11.20	6.40	175
Firemen overseer.	12.60	7.30	173
Firemen ov'ar hlprs	11.50	6.60	174
Yard la'bers ov'ars.	16.00	7.75	206
Laborers, all round	8.80	4.70	187
Woolen spinning:			
Boss spinner.	32.00	11.50	279
Foreman	18.00	5.50	327
Spinner	14.00	5.60	250
Spinner's helper.	6.00	2.75	218
Card cleaner	8.50	4.20	202
Carder	8.50	3.70	230
Misc. Laborers.	8.00	3.60	222
Weaving			
Boss weaver.	25.00	10.15	246
Loom fixer.	17.30	6.70	258
Wrprg'r'm foreman.	18.30	7.00	261
Sizing'r'm foreman.	17.00	6.30	270
Drwg in foreman.	15.30	6.30	243
Examng r'm fremn	16.30	6.50	251
Weaver	9.20	4.65	198
Warper	8.30	5.05	164
Spooler	4.55	2.30	198
Sizer	8.00	4.60	174
Sizer's helper.	7.45	3.60	207
Drawer in.	9.40	5.00	188
Hander in.	4.95	3.00	165
Warp twister.	8.55	6.25	137

*The Bradford system of worsted spinning is not used in Germany at all.

**The wool sorting in the United States is done principally by men and in Germany by women.

	Avg. wage per wk 56 working hrs.		Ratio of U. S. Wages to German in Per Ct.
	U. S. Eastern	Germany	
Examiner	9.50	6.00	158
Laborers	7.55	4.00	189
Dyeing:			
Head dyer	52.00	19.25	270
Dye house foreman	15.00	7.20	208
Dye tub man	9.60	4.30	223
Rinsing mchn man	8.40	4.05	207
Finishing:			
Burling:			
Head overseer	23.00	8.30	277
Asst overseer	17.00	6.50	262
Operatives	6.50	3.00	217
Scouring:			
Head overseer	18.00	9.20	196
Asst. overseer	12.00	6.40	188
Operatives	8.00	4.10	195
Carbonizing:			
Overseer	13.00	7.40	176
Operatives	8.00	3.90	205
Fulling:			
Overseer	23.00	8.75	263
Operatives	8.35	4.05	206
Teazling:			
Head overseer	22.00	9.45	233
Asst overseer	18.00	6.35	282
Operatives	8.25	4.80	172
Steaming:			
Overseer	13.00	4.85	268
Operatives	9.90	4.45	222
Drying:			
Head overseer	18.00	6.65	271
Asst overseer	13.00	4.45	292
Operatives	7.50	4.05	185
Shearing:			
Head overseer	23.00	8.50	271
Asst overseer	20.00	6.75	296
Operatives	7.60	4.05	188
Press'g and gloss'g:			
Head overseer	21.00	7.20	292
Asst overseer	13.00	6.70	194
Operatives	9.70	4.70	206
Examining:			
Head examiner	15.00	6.85	219
Examiners	12.00	5.20	231
Putting up:			
Overseer	16.00	5.50	291
Operatives	9.50	4.20	226

The above figures are based on the following conditions: Throughout Germany experienced, skilled labor is generally available for all positions in woolen and worsted mills. In America skilled labor must of course be used for the more important positions, while in very many American woolen centers the ordinary operatives are mostly drawn from what is absolutely unskilled labor and are on the whole inexperienced and consequently much less efficient than in Germany. For this reason more people are necessary to do the same amount of work, consequently requiring more foremen to oversee the work of a given number of operatives. The wages given for the United States in the above tables are furnished by mills having mostly unskilled labor, and while they show that the average wages paid in American woolen and worsted mills for the various occupations, compared with

those paid by mills of the same capacity in Germany, are in the ratio of 224.92:100, it will also be seen therefrom that the excess paid in the United States to overseers, assistant overseers, and those doing more important work necessitating special skill and judgment is considerably above this average. If there were employed in the American mills by which the above

figures have been furnished ordinary operatives equally as skilled as those employed in the German mills on whose wage lists the above absolutely correct figures are based, then the difference between the wages quoted for ordinary operatives in the United States and in Germany would be much greater and the ratio above given would be considerably higher.

TABLE III.

Development of Woolen and Worsted Manufacturing in the United States, 1889-1909.
(Compiled from reports of United States Census Bureau.)

	Total number of Employees	Total Salaries and Wages Paid	Average Annual Wages Paid	Value of Products	REMARKS
1889.	122,944	\$44,359,114	\$361	\$212,772,629	Tariff Law of 1883; McKinley Bill 1890; Wilson Bill 1894; Dingley Bill 1897.
1899.	129,516	50,126,000	387	238,745,000	Dingley Bill 1897.
1904.	146,322	61,433,000	419	307,942,000	Dingley Bill 1897.
1909*	168,239	79,214,000	478	419,826,000	Payne-Aldrich Bill 1909.

Increase in value of products 1904-1909 was greater than in any ten years prior to 1900. *Preliminary figures issued by Census Bureau.

LIVE STOCK MARKET SHOWS GAIN.

(Continued from page thirty-six).

as substantial and well deserved improvements have been made in other departments of the market, including repaving, and rebuilding of a large portion of the cattle division; construction of modern double chutes and a shipping division; rebuilding of a portion of the hog division, etc., the cost of all of which aggregated nearly \$400,000.

The spirit of progressiveness and co-operation prevailing among the different interests at South Omaha Stock Yards, in promoting the welfare of the market and its patrons, is apparent even to the casual visitor to that busy place. The Stock Yards Company itself is entitled to much credit for the building of this great market; especially does this apply to the administration of its affairs during the last few years, in the readiness with which it has met the wishes of its patrons and shippers, who are coming to recognize, more and more, the advantages which South Omaha extends to them, by providing the service and facilities to properly care for the business it enjoys. The commission men have been tireless in their efforts to advance the market and through their keen interest in the welfare of their patrons have builded for South Omaha market a reputation for honesty and fair dealing which has become in itself a valuable asset. They are a wide-awake lot of progressive business men, who transact their business with honesty and facility.

With stock yards facilities of the best

that modern construction affords, the equal of which can not be found elsewhere, furnishing ample accommodation for 5,000 horses, 20,000 cattle, 30,000 hogs and 100,000 sheep; with the mammoth packing plants of the Armour's, Cudahy's, Omaha and Swifts, which are among the largest in the world, augmented by six smaller packing concerns, creating a demand for more than six million head of cattle, hogs and sheep annually; with an outlet for the feeder kinds of cattle and sheep, and grades which do not come up to the requirements of the packers' buyers, which has no equal in the entire country; and with a territory tributary to it which is unlimited in its possibilities, the South Omaha market has all the advantages and qualifications necessary to insure continuous growth.

This paper will come to every member of the association twelve times this year. Your subscription to it is paid when you pay your dues. The paper alone is worth more than five dollars dues.

If you were unable to attend the Omaha meeting you are entitled to know what it did. This is the reason we are publishing this paper, so that the proceedings of the meeting will be carried to your home.

Keep a file of your National Wool Growers; you will want to refer to them as time goes by. We are going to make this paper so interesting that it will become an encyclopedia of information for the flock men.

To the numerous inquiries we have received relative to the November and December issues of *The WOOL GROWER*, we take this means of replying that the January number is the first one since the October issue.

But we want to say to the readers of *The WOOL GROWER* that this paper will come to you each month—twelve times—during the year 1912.

Under the agitation in favor of destroying the American wool industry wool has declined from ten to eighteen cents a pound in two years. Is any person able to purchase clothing cheaper because of that fact? The number of sheep in the United States is declining because the owners fear a repetition of the sad times they suffered under the last Democratic administration. Sheep are worth less, and wool has been reduced in price, but the consumer does not get a penny of advantage. If the industry is destroyed prices will be much higher. That is the folly of the free-trade cry. Nothing but harm comes from it.—*American Economist*.

It is difficult to arouse much interest now in the question of cost of living, which occupied so much attention a year or so ago. Is it because the Democrats fear that the recent investigations which disclosed that things have gone up as much in other countries as in the United States that they dislike continuing the discussion. That appears to be the case, but their reluctance to talk prices affords no good reason why Republicans should not press the matter.—*San Francisco Chronicle*.

The following appears in the church register of St. Mary's, Andover, Hampshire, England: "By an act of Charles II., persons were bound to be buried in woollen shrouds, in order to encourage the wool trade." A curious entry of a lady buried in a linen shroud occurs, and on the opposite page of the register there is a memorandum to the effect that the church warden was fined two pounds for transgressing the law.

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Say, Mr. Wool Grower

*Do You Know What Could be Done With
Your Own Mill if You Tried?*

The Minnesota wool growers paid themselves 26 cents per pound for wool that they were offered 20 cents for from a big worsted mill, had the same made up into blankets and sold them direct to the consumers at a price that pleased the consumer.

On the other hand, when the consumers obtained a first quality blanket at a reasonable rate, they were willing that the grower should have a fair price for the wool that went into the blanket.

Every wool grower in the United States can obtain a fair price for his wool if he will take hold of the Wool Growers Co-operative Woolen Mill with money and patronage. If you cannot put in some money, patronize the mill which is owned and managed in the interests of yourselves.

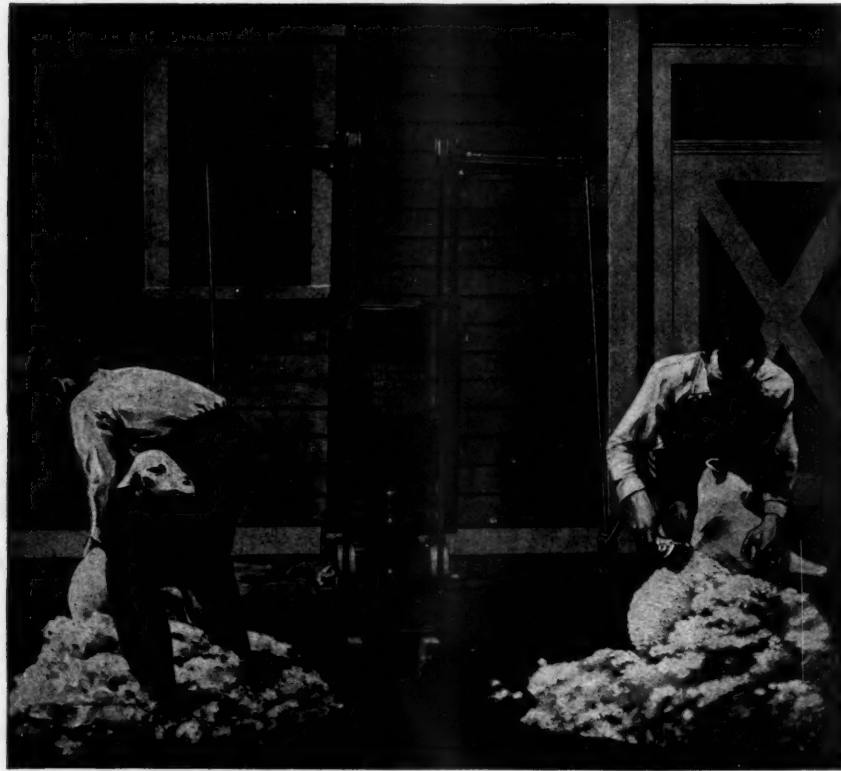
The Eastern manufacturers are trying to demonstrate that wool can be produced on the abandoned farms of the East for 15 cents per pound. Then why not the wool growers demonstrate to the consumer that we can save him money on 30 cent wool?

Come, and let us stop our kicking and go to work. The people want WOOL to wear. It is up to us to see that they get it. The way to get it is to all take hold and work together.

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delivers the goods every time. It will shear from 200 to 400 sheep a day and do it day in and day out. It never shirks, never loafes on the job and when shearing is over you can use the engine to pump water, grind feed, run the cream separator, grinder, etc. It will do any work a two horse power engine can do.

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